

Nebraska's #1 Employment Resource

Nebraska Underemployment Study

*A Comparative Analysis
1992-2000*





Nebraska Underemployment Study A Comparative Analysis, 1992 to 2000

is a publication of

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This publication is available on the Internet at:
www.NebraskaWorkforce.com

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Published December 2002



Acknowledgements

A sincere thank you goes to the individuals who participated in the Nebraska Annual Social Indicators Survey. Without their willingness to take part in the survey, an empirical view of underemployment in Nebraska would not have been possible.

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Executive Summary

The primary purpose of the Nebraska Underemployment Study in 2000 was to investigate the nature and extent of underemployment in Nebraska as well as detect any emerging trends in the data since 1992. In determining underemployment criteria, the following employment categories were reviewed:

- Full time temporary employment
- Part time temporary employment
- Part time permanent employment
- Overqualified workers

While the proportion of Nebraska's labor force that is unemployed is relatively small, there are a significant proportion of Nebraska's workers who are underemployed (partially or inadequately employed or employed at a job for which they are overqualified) and should be considered as a part of the effective labor force. Overqualified workers alone constitute one-third of Nebraska's employed.

In analyzing the data, we made comparisons between the characteristics of underemployed workers as well as those workers who were not considered to be underemployed. There were significant differences found for the following characteristics: benefits, wages, occupations, gender, age, race, education and marital status.

Regarding whether underemployment has increased or decreased over time, the results are a bit mixed and are dependent upon how one prefers to define underemployment. If one defines underemployment as comprised of contingent or part time workers or those workers who consider themselves to be overqualified, then we can conclude underemployment has increased over the eight year period between 1992 and 2000. However, based on those workers who are involuntarily contingent or part time, then underemployment has remained relatively constant in Nebraska since 1992.

Major Findings

- The majority of part time temporary (65%) and part time permanent (71%) workers are women.
- The temporary workforce is comprised primarily of individuals age 19 to 34 years of age (60%).
- Full time permanent workers (68%) and part time permanent workers (72%) are more likely to be married than either full time temporary (48%) or part time temporary (43%) workers.
- One out of three full time temporary and part time workers hold a college degree.
- Temporary workers (63%) are more than twice as likely as permanent workers (28%) to report themselves as overqualified.
- Twenty-nine percent of all workers in Nebraska believe they are overqualified for their jobs.
- The majority of overqualified workers are holding their current job due to lack of adequate income from available jobs.
- "Skills" is the most common reason given for being qualified for a better job.
- Part time permanent workers have a higher level of job satisfaction than any other employment category.
- Temporary workers are more likely than permanent workers to have been recently unemployed.

The latter half of the 20th Century saw enormous changes in the demographic composition of the nation's labor force. During the 20-year period between 1970 and 1990, the baby-boom generation entered into the labor force, and, most notably, there was a 14.2 % increase in the labor force participation rate for women.¹

With change comes new challenges. Generally speaking, labor force statistics are based upon a structure which classifies working age people into one of three categories: employed, unemployed or not in the labor force. This classification scheme overlooks the underemployed.

What is underemployment and why should we study it?

One can generally define underemployment as those forces in a labor market that cause an underutilization of human capital. Globally, underemployment can impede economic progress and represents a waste of resources. People often become underemployed as the result of economic and non-economic reasons that are beyond their control such as job availability, opportunity for advancement, limited transportation choices, and dependent care, for instance. Consider the following circumstances:

- Employees who work part time but who desire full time employment or who simply desire more hours.
- Employees who work on a temporary basis but desire permanent employment.
- Employees who hold positions for which they are overqualified in terms of skill level, education and experience and who desire employment that is more appropriate based on those factors.

Underemployed individuals are those workers who possess the education, skills and experience to merit a better job, but who are, for whatever the reason, unable to locate or assume one. What one means by a "better job" is, of course, highly subjective. For example, for a temporary employee, it might mean a full time permanent position.

The capability of capturing the numbers of the underemployed in official statistics is vital to recognition and proper understanding of possible structural changes and trends in the local labor force data that are all but missing from public debate and policy making.

Purpose of the study

Existing employers in the State of Nebraska, as well as new employers to the state, will not depend entirely on the numbers of the unemployed to staff a new operation or to fill vacancies in an existing operation. Companies generally look to the ranks of the employed who are seeking better positions for themselves. These individuals are more likely to have the skills necessary for success in the new position. Underemployment data can be used as a tool in filling those vacancies.

From a human resource perspective, it is also essential to understand the impact underemployment can have on individuals and the implications it can have for businesses. This impact may relate to employee satisfaction and retention.

Broadly defined, the purpose of this research is to investigate the nature and the extent of underemployment in Nebraska. In order to accomplish this, information is required. In 1992, the Nebraska Department of Labor launched a research initiative to collect and analyze data on underemployment in the state. A similar survey was conducted again in 1996 and in 2000. This *Nebraska Underemployment Study* is the result of the 2000 survey.

The Nebraska Underemployment Study is the result of a cooperative venture between the Nebraska Workforce Development, Department of Labor and the University of Nebraska. Since 1977, the University's Bureau of Sociological Research has conducted the Nebraska Annual Social Indicators Survey (NASIS). This comprehensive survey consists of telephone interviews completed with a representative sample of adults age 19 and older currently living in the State of Nebraska. Research staff from Nebraska Workforce Development's Labor Market Information (LMI) Center developed a series of interview questions aimed at gathering specific information about underemployment in Nebraska. Utilizing most of the same questions from the 1992 and 1996 underemployment surveys, the interview questions along with some additions were incorporated into the 2000 NASIS interview and the survey was conducted beginning in November 2000. The underemployment survey questions used for 2000 are listed in the appendix of this publication.

Population and Sampling

Using random digit dialing, the sample was drawn from a population consisting of non-institutionalized persons in households with telephones who resided in the State of Nebraska during the survey period. Persons under 19 years of age, persons in custodial institutions, in group living quarters, on military reservations, and transient visitors to the state were excluded from the sampling universe.

The survey data used for this report were obtained through 1,887 completed interviews. Upon completion of data automation cleaning and weighting, the Bureau of Sociological Research staff provided the Department of Labor a data set that included core demographic information and the LMI underemployment survey results. LMI research staff then analyzed this information.

Representativeness of the Survey

The accuracy of the 2000 survey has been evaluated by comparing selected characteristics of survey respondents with projections made from 1990 U.S. Census data for the year 1999. Relatively accurate comparisons are possible with age, sex and regional distributions. Weights from population figures were applied to adjust for sex and age differences so that the total sample would correspond to the population estimates. The weights needed to do this were small, as the sample was close to matching the census distributions before weighting.



Temporary Workers

Temporary workers, also known as the contingent, short-term or flexible workforce, have always been a necessity for many businesses. During the 1990's there was a growing concern regarding the notion that employers were relying more heavily on a contingent workforce. However, during the late 1990's and early into 2001 it appeared that the proportion of U.S. workers holding contingent jobs edged down. In the broadest estimate of contingent workers, the Bureau of Labor Statistics estimated there were 5.4 million contingent workers nationally comprising four percent of total employment in February 2001.²

Contingent work was originally defined as “conditional and transitory employment arrangements as initiated by a need for labor.”³ Over time, contingent work evolved into a term that carried a negative connotation. This connotation implied that any type of alternative work arrangement different than the usual 40 hour per week permanent position was less than adequate in terms of job security, compensation, benefits and satisfaction, not taking into consideration individual preferences that draw workers toward temporary or contingent work. In 1989, the Bureau of Labor Statistics proposed the following definition of contingent work: “Any job in which an individual does not have an explicit or implicit contract for long-term employment.”³

Since 1995, the Bureau of Labor Statistics, Department of Labor has collected data biennially on contingent employment as part of the Current Population Survey (CPS). Following are some highlights from the CPS conducted in February 2001⁴:

- ❑ Contingent workers were more than twice as likely as noncontingent workers to be under age 25.
- ❑ Contingent workers were more likely to be black or Hispanic than noncontingent workers.
- ❑ Those contingent workers age 25 to 64 were more likely than noncontingent workers to be high school dropouts and less likely to have graduated from college.
- ❑ Over half (52%) of contingent workers would have preferred having a permanent job.
- ❑ Fifty-five percent of contingent workers were employed in the Services industry and more likely than noncontingent workers to be found in the Manufacturing, Agriculture and Construction industries.
- ❑ The percent of contingent workers (40%) who preferred their employment arrangement was up substantially from February 1995 (31%).
- ❑ About one-fifth of contingent workers had employer-provided health insurance coverage.

Using the data from our survey and applying it to Nebraska annual average employment for 2000, an estimated 85,586 Nebraskans were temporary workers. The Nebraska temporary employment rate of 10% (temporary workers as a portion of total employed workers) has remained relatively unchanged over the eight year time period from 1992. In 1992, the temporary employment rate was 8% and in 1996 the rate was 9%. While this rate is twice that of the national temporary employment rate (4% as of February 2001), it is important to keep in mind the different methodologies of data collection, when the survey was conducted and how temporary was defined. For the purposes of our study, we chose to include all temporary workers regardless of why they were holding that temporary position with the exception of those respondents who identified themselves as being primarily full-time students, retired, or keeping house. Additionally, we did not differentiate on-call workers, independent contractors and temporary help agency workers or workers employed in contract firms as subsets of those who were employed on a temporary basis. Temporary workers were merely those who indicated in the survey that their current employment was temporary.

The following analysis is intended to provide a more in-depth look at that segment of Nebraska's workforce that is temporary. Prior analyses have shown significant differences in characteristics between temporary or contingent workers and permanent or noncontingent workers. Identifying and attempting to understand these differences can help to illuminate where efforts can be made to assist workers and employers in meeting their respective goals (i.e. finding permanent employment and meeting the demand for a flexible workforce). While temporary workers can generally be assumed to be underemployed, it is important to delineate temporary employees seeking permanent employment (involuntary) and temporary employees not seeking permanent employment (voluntary).

Profile of Full Time Temporary Workers

	1992	1996	2000		1992	1996	2000
Unemployed in Last Year				Business Size			
Yes	n/a	41%	33%	Less than 25	20%	35%	36%
No	n/a	59%	67%	25 to 50	27%	7%	13%
Satisfied With Job				51 to 100	3%	13%	13%
Very Satisfied	n/a	25%	32%	101 to 250	11%	9%	9%
Satisfied With Job	n/a	56%	52%	251 to 500	2%	7%	11%
Dissatisfied	n/a	16%	13%	Over 500	36%	28%	18%
Very Dissatisfied	n/a	1%	----	Benefits			
Neither Satisfied or Dissatisfied	n/a	2%	4%	Percent Offered Paid Vacation Leave	n/a	61%	49%
Paid Appropriately				Percent Offered Paid Sick Leave	n/a	45%	49%
Yes	n/a	62%	56%	Percent Offered Health Insurance	n/a	61%	47%
No	n/a	38%	43%	Percent Offered Retirement Program	n/a	50%	33%
Wants Permanent Job				Percent Offered Paid Child Care	n/a	4%	9%
Yes	73%	76%	71%	Percent Offered Tuition Assistance	26%	37%	42%
No	27%	24%	29%	Family Income			
Gender				Under \$5,000	n/a	n/a	----
Female	42%	53%	43%	\$ 5,000 - \$ 9,999	n/a	n/a	4%
Male	58%	47%	57%	\$10,000 - \$14,999	n/a	n/a	2%
Race				\$15,000 - \$19,999	n/a	n/a	4%
White	90%	86%	87%	\$20,000 - \$24,999	n/a	n/a	15%
Hispanic	n/a	4%	----	\$25,000 - \$29,999	n/a	n/a	6%
Black	n/a	2%	4%	\$30,000 - \$39,999	n/a	n/a	23%
Native American	n/a	2%	4%	\$40,000 - \$49,999	n/a	n/a	21%
Asian	3%	2%	6%	\$50,000 - \$59,999	n/a	n/a	13%
Other	7%	4%	----	\$60,000 - \$74,999	n/a	n/a	2%
Marital Status				\$75,000 - \$99,999	n/a	n/a	9%
Married	34%	50%	48%	\$100,000 or more	n/a	n/a	----
Never Married	60%	42%	46%	Geographic Region¹			
Divorced	4%	7%	4%	Omaha	n/a	38%	49%
Separated	1%	1%	2%	Lincoln	n/a	21%	13%
Widowed	----	----	----	Southeast	n/a	7%	5%
Years of Age				Central	n/a	14%	13%
19-24	n/a	33%	41%	Mid Plains	n/a	----	4%
25-34	n/a	47%	24%	Panhandle	n/a	3%	5%
35-44	n/a	9%	15%	Northeast	n/a	17%	11%
45-54	n/a	6%	7%	Number Hours Worked Per Week			
55-59	n/a	2%	6%	35 to 49 Hours	74%	72%	66%
60-64	n/a	2%	2%	50 Hours or More	26%	28%	34%
65 & Over	n/a	2%	6%	Multiple Job Holders			
Education				2 Jobs	n/a	n/a	13%
High School	65%	48%	32%	3 Jobs	n/a	n/a	----
Some College	n/a	25%	22%	More than 3 Jobs	n/a	n/a	----
Tech/Associate	12%	8%	13%				
Bachelors	13%	10%	11%				
Graduate	10%	6%	11%				
No Diploma	n/a	2%	11%				

Notes:

¹ Geographic regions are not comparable to 1992 due to significant changes in geographic region definitions. In 2000, Polk and Butler counties became part of the Northeast Region. In 1996, they were part of the Southeast Region.

n/a Data not available for specified time period
Percentages may not sum to 100% due to rounding.

Full Time Temporary Workers

Job Satisfaction

The majority of full time temporary employees were satisfied with their job (83%). Only 13% were dissatisfied. When asked whether they felt if they were paid appropriately in their current job, a little over half of full time temporary workers said “yes” (56%).

Over half (54%) of full time temporary employees reported they would replace their current job as compared to only 33% of full time permanent employees who said they would replace their job.

When asked why they would like to replace their job, full time temporary and permanent employees both reported being “bored/unsatisfied” (37% and 20%, respectively) and wanting “better income/benefits” (27% and 33%, respectively) as the top reasons.

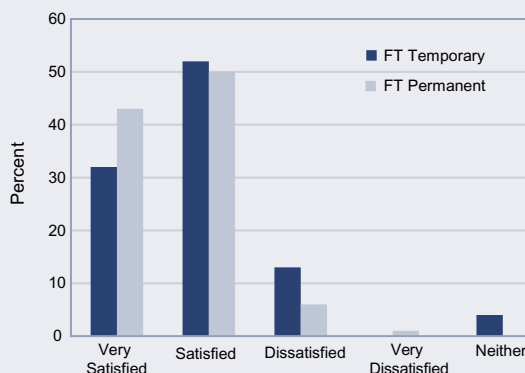
Obstacles to Finding Permanent Employment

The majority of full time temporary employees want a permanent job (71%). When asked why they had not been able to replace their current job, “haven’t looked” (60%) and “lack of job opportunities” (20%) were given as the most frequent responses. Other responses included lack of experience, education, and age.

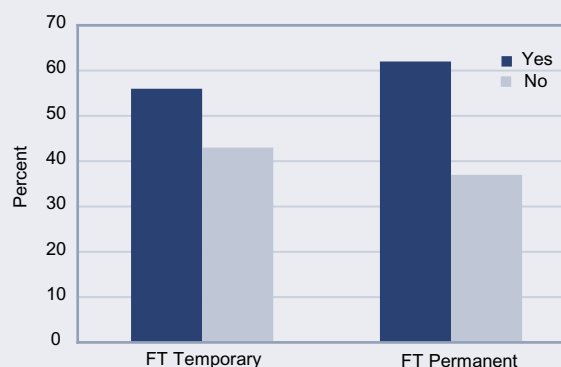
Looking for a Job

Temporary employees were more likely than permanent employees to be unemployed during the year prior to the survey. One-third (33%) of full time temporary employees reported having been out of work during that year as compared to only 9% of full time permanent workers. This is a decline from 1996 when 41% of full time temporary employees said they had been unemployed in the last year.

Job Satisfaction of Full Time Workers, 2000



Paid Appropriately, 2000



Gender

In 2000, over half of full time temporary workers were male (57%). Since 1992 this number has fluctuated with the majority of full time temporaries being female in 1996 (53%) and males (58%) in 1992. Of full time permanent workers in 2000, over half (59%) were also male.

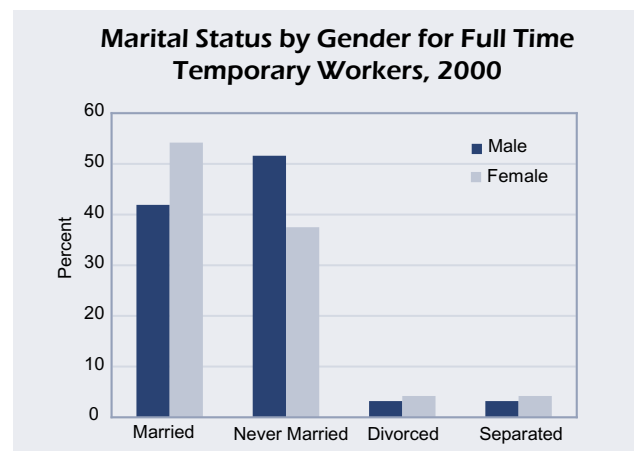
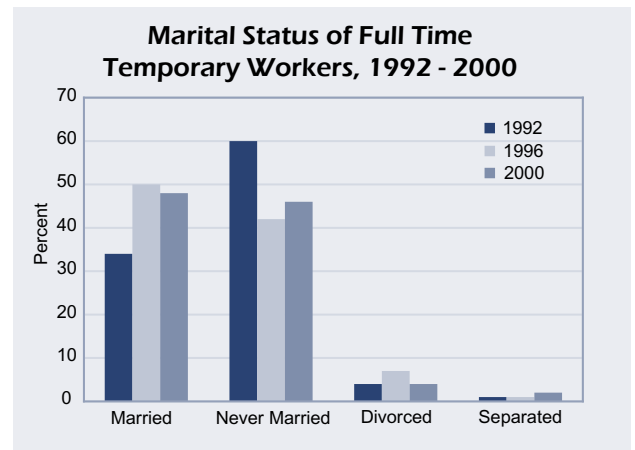
Race

In 2000, there were a significantly higher percentage of minority workers (13%) in the population of full time temporaries than in full time permanent workers (5%).

Marital Status

Full time temporaries were almost equally as likely to be married (48%) as opposed to *never* married (46%). Among full time permanent workers, a significantly greater proportion was married (68%) as opposed to never married (16%). From 1992 to 2000, there has been an increase in the percentage of married full time temporary workers.

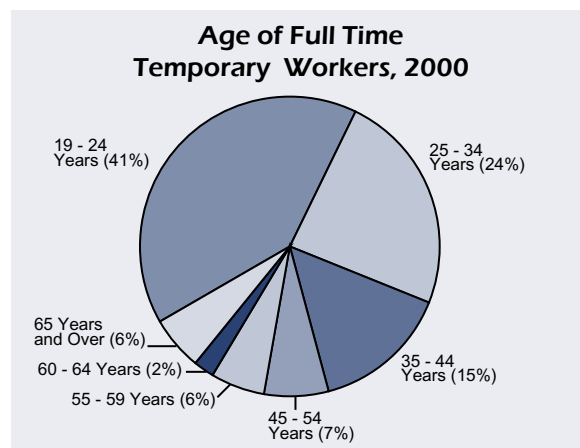
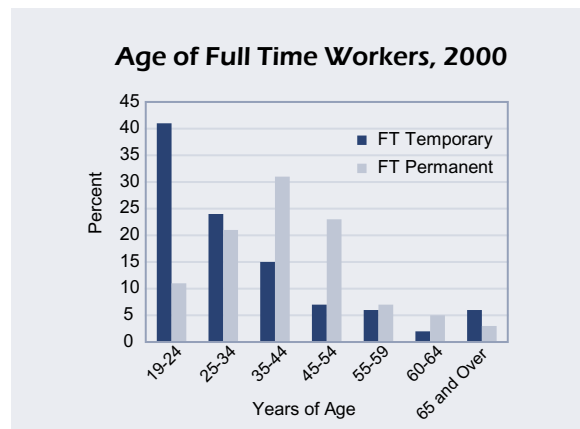
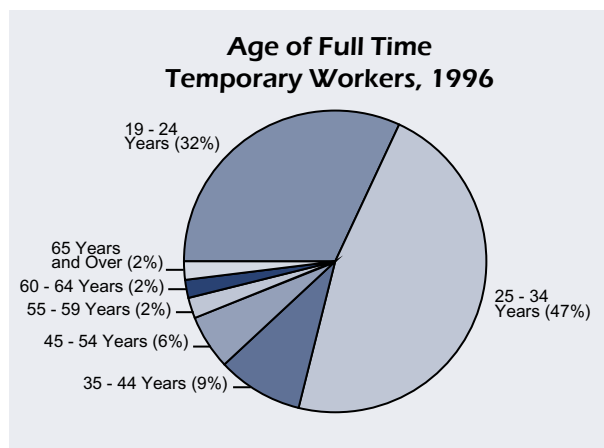
Additionally, full time temporary workers who were women were more likely than their male counterparts to be married.



Full Time Temporary Workers

Age

Among full time temporary workers there has been a significant change from 1996 when almost half of the population of full time temporary workers were age 25 to 34 (47%). In 2000, the greatest percentage of full time temporary workers was age 19 to 24 (41%). Additionally, there were significant differences in ages between full time permanent workers and full time temporary workers. For example, a comparison of temporary and permanent full time workers revealed that temporaries tended to be younger. Specifically, for full time permanent workers, only 11% were age 19 to 24 while a significant percentage appeared in the 35 to 44 age cohort (31%).



Job Skills

One-half of full time temporary workers reported they were currently taking classes, seminars or training to improve their job skills for their *current* position. A significantly higher percentage of full time permanent workers (76%) said they were doing the same. However, full time temporary workers were almost twice (33%) as likely as full time permanent workers (17%) to be currently attending classes/seminars to *change* careers.

Currently Earning College Credit

Over one-third (35%) of full time temporary workers reported they were currently earning college credit. An even higher percentage of full time temporary workers who wanted permanent employment were currently earning college credit (43%). Only 9% of full time permanent workers reported currently earning college credit.

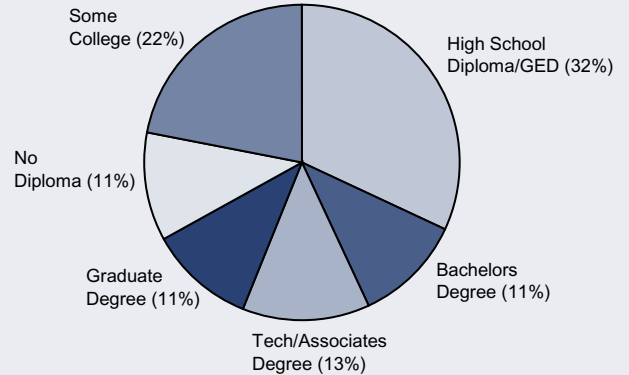
Of those currently earning college credit, half were enrolled at a four-year college or university while the other half were enrolled at a community college (39%) or other type of training provider (11%).

Forty-two percent of full time temporary workers were being offered tuition assistance by their employer. However, only 32% were taking advantage of the assistance.

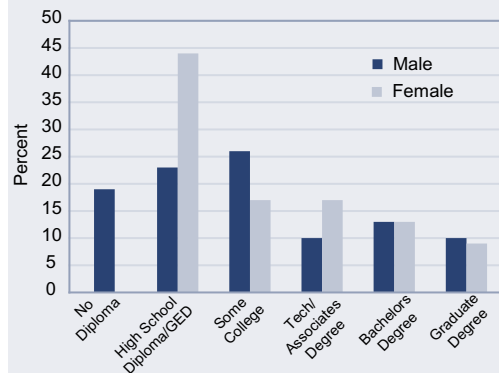
Education

The highest level of education obtained by the greatest percentage of full time temporaries was a high school degree (32%) or a high school degree with some college (22%). Thirty-five percent of full time temporaries had an associates degree or higher as compared to 50% of full time permanent workers. In 2000, 11% (all males) of the full time temporaries did not have a high school diploma as compared to 2% in 1996.

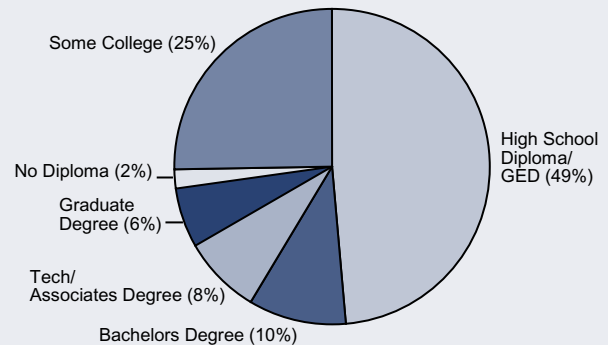
Education Level of Full Time Temporary Workers, 2000



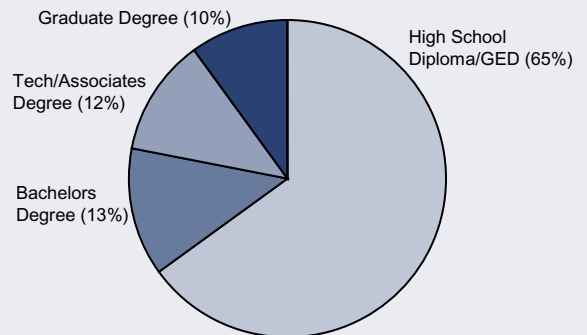
Education Level of Full Time Temporary Workers by Gender



Education Level of Full Time Temporary Workers, 1996



Education Level of Full Time Temporary Workers, 1992



Note: In 1992, "Some College" and "High School Diploma/GED" were a combined category.

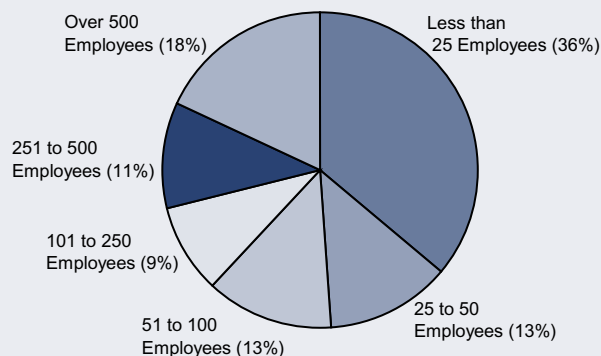
Full Time Temporary Workers

Business Size

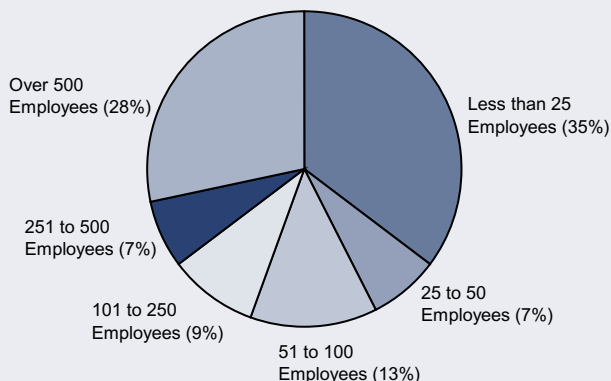
The largest percentages of full time temporary and permanent workers were employed at businesses with fewer than 25 employees (36% and 32%, respectively) followed by businesses with over 500 employees (18% and 27%, respectively).

Full time temporary employment by business size has varied considerably for the years 1992, 1996, and 2000. In 1992, the greatest percentage of full time temporaries were at businesses with over 500 employees (37%) followed by businesses with 25 to 50 employees. However, in 1996 and 2000 the greatest percentage of full time temporaries were employed at businesses with less than 25 employees.

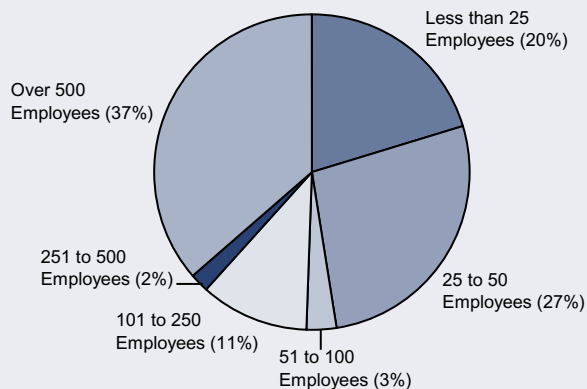
Full Time Temporary Workers by Business Size, 2000



Full Time Temporary Workers by Business Size, 1996



Full Time Temporary Workers by Business Size, 1992

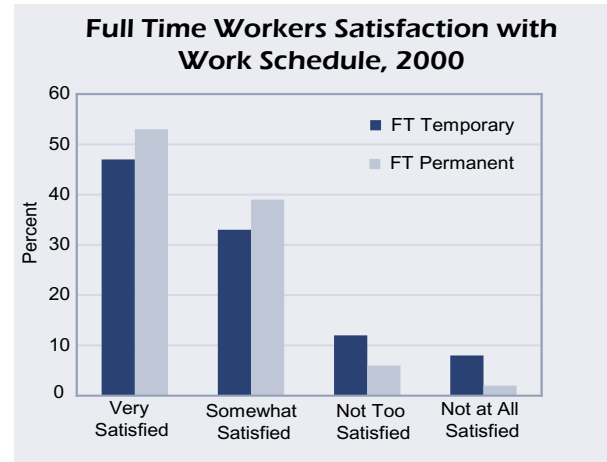


Schedule

Another dynamic of underemployment is the overworked. Employees working more than the typical 40-hour work week could be considered to be theoretically taking potential available work hours away from other individuals needing permanent or full time employment. For the first time, in 2000, we attempted to examine this variable by ascertaining information about various aspects of the respondents' work schedule. These items included: the number of hours worked, satisfaction with their current work schedule and whether they would change it, if so, what they would change about it.

What we discovered was that 40% of full time permanent workers could be classified as "overworked" meaning they worked more than 50 hours per week, a percentage slightly higher than that of full time temporary workers (34%).

When full time temporaries were asked whether they were satisfied with their schedule almost half (47%) said they were *very* satisfied. However, they were over twice as likely as full time permanent workers to *not* be satisfied with their schedule. Of all segments of the work force (e.g. full time, part time, temporary, etc.), full time temporary workers had the highest percentage of respondents who were dissatisfied with their current schedule (20%).

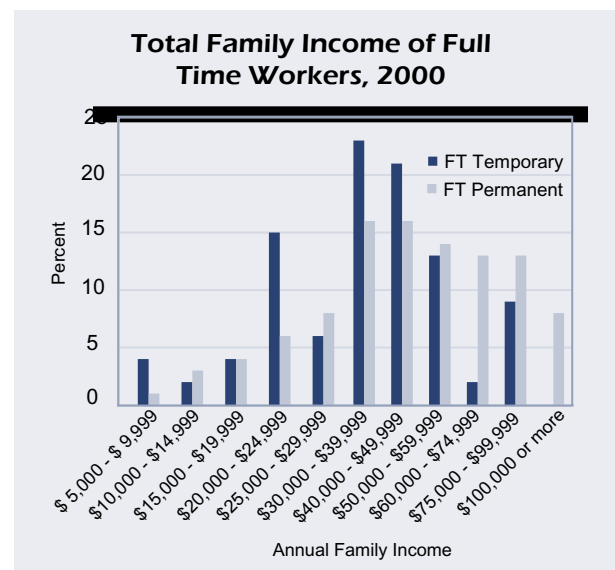


Over half (56%) of full time temporary workers said they would prefer to increase the number of hours worked in a day but decrease the number of days worked in a week. Full time permanent workers echoed this with 47% preferring longer workdays and a shorter workweek.

Of those full time permanent workers who were considered overworked (greater than 50 hours worked per week), 17% said working over 50 hours per week was ideal.

Income

The majority (57%) of full time temporary workers had a reported *total family* income between \$30,000 and \$60,000. The proportion of full time temporary workers (26%) with a total family income less than \$25,000 was double that of full time permanent workers (13%).



Full Time Temporary Workers

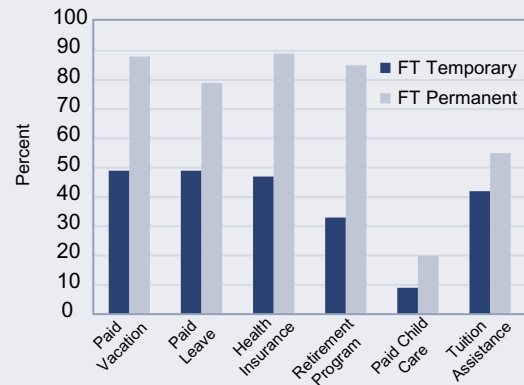
Benefits

In general, it is believed that temporary workers do not receive benefits. This is not necessarily the case for all temporary workers. Nationally, one-fifth of contingent workers had health insurance offered by their employer. In Nebraska, our survey results revealed that almost half of full time temporary workers received health insurance. Nearly one half of full time temporary workers also received paid vacation days and paid sick leave days. One out of three full time temporaries had a retirement program. However, only 9% received paid child care.

In comparison with full time permanent workers, temporary workers fell short on benefits received. The majority of full time permanent workers were almost twice as likely to receive paid vacation days, paid sick leave days, paid child care and health insurance. They were also two and a half times more likely than full time temporaries to have a retirement program.

The proportion of full time temporary workers who received benefits has changed somewhat from 1996. The percent of full time temporary workers who received paid vacation leave, health insurance, and retirement declined while the percentage of those who received paid sick leave and child care rose slightly.

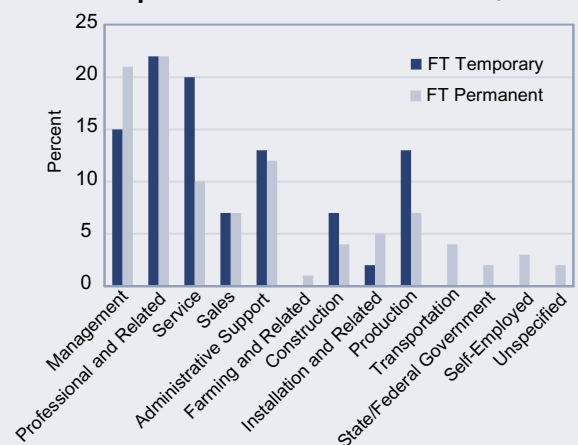
Benefits Offered to Full Time Workers by Their Employers, 2000



Occupations

Full time temporary workers fell primarily into five broad occupational categories: Professional and Related (22%), Service (20%), Management (15%), Administrative Support (13%), and Production (13%). As compared to full time permanent workers, full time temporary workers were twice as likely to be in Service and Production occupations.

Occupations of Full Time Workers, 2000





Part Time Temporary Workers

Profile of Part Time Temporary Workers

	1992	1996	2000		1992	1996	2000
Unemployed in Last Year				Wants Full Time or Part Time Job			
Yes	n/a	31%	23%	Chooses to Work a Part Time Job(s)	70%	80%	77%
No	n/a	69%	77%	Would Prefer to Work a Full Time Job	30%	20%	23%
Satisfied With Job				Business Size			
Very Satisfied	n/a	29%	43%	Less than 25	61%	52%	49%
Satisfied With Job	n/a	63%	49%	25 to 50	11%	19%	16%
Dissatisfied	n/a	6%	6%	51 to 100	1%	11%	5%
Very Dissatisfied	n/a	2%	1%	101 to 250	4%	2%	12%
Neither Satisfied or Dissatisfied	n/a	----	1%	251 to 500	----	4%	5%
Paid Appropriately				Over 500	24%	12%	13%
Yes	n/a	77%	75%	Benefits			
No	n/a	23%	25%	Percent Offered Paid Vacation Leave	n/a	19%	15%
Wants Permanent Job				Percent Offered Paid Sick Leave	n/a	25%	12%
Yes	66%	49%	52%	Percent Offered Health Insurance	n/a	23%	13%
No	34%	51%	48%	Percent Offered Retirement Program	n/a	13%	13%
Gender				Percent Offered Paid Child Care	n/a	6%	----
Female	62%	59%	65%	Percent Offered Tuition Assistance	22%	12%	24%
Male	39%	41%	35%	Family Income			
Race				Under \$5,000	n/a	3%	3%
White	89%	89%	98%	\$ 5,000 - \$ 9,999	n/a	7%	18%
Hispanic	6%	3%	1%	\$10,000 - \$14,999	n/a	13%	4%
Black	4%	2%	----	\$15,000 - \$19,999	n/a	7%	8%
Native American	----	----	----	\$20,000 - \$24,999	n/a	13%	8%
Asian	1%	6%	1%	\$25,000 - \$29,999	n/a	5%	7%
Other	----	----	----	\$30,000 - \$39,999	n/a	16%	14%
Marital Status				\$40,000 - \$49,999	n/a	14%	12%
Married	39%	54%	43%	\$50,000 - \$59,999	n/a	6%	7%
Never Married	52%	35%	43%	\$60,000 - \$74,999	n/a	17%	10%
Divorced	10%	6%	6%	\$75,000 - \$100,000	n/a	----	7%
Separated	----	2%	1%	\$100,000 or more	n/a	----	4%
Widowed	----	3%	6%	Geographic Region¹			
Years of Age				Omaha	n/a	18%	23%
19-24	51%	38%	45%	Lincoln	n/a	18%	28%
25-34	21%	13%	11%	Southeast	n/a	4%	9%
35-44	14%	23%	15%	Central	n/a	31%	11%
45-54	5%	8%	6%	Mid Plains	n/a	5%	6%
55-59	----	4%	----	Panhandle	n/a	5%	6%
60-64	4%	5%	4%	Northeast	n/a	18%	17%
65 & Over	5%	10%	20%	Number Hours Worked Per Week²			
Education				20 Hours or Less	56%	61%	59%
High School	73%	31%	42%	21 to 34 Hours	31%	20%	34%
Some College	n/a	30%	22%	35 to 49 Hours	10%	14%	6%
Tech/Associate	5%	12%	10%	50 Hours or More	3%	2%	1%
Bachelors	16%	18%	18%	Multiple Job Holders			
Graduate	2%	4%	5%	2 Jobs	14%	19%	13%
No Diploma	4%	5%	4%	3 Jobs	1%	4%	2%
				More than 3 Jobs	----	----	1%

Notes:

¹ Geographic regions are not comparable to 1992 due to significant changes in geographic region definitions. In 2000, Polk and Butler counties became part of the Northeast Region. In 1996, they were part of the Southeast Region.

² Part time employees included those who worked less than 35 hours per week for one employer. Part time employees could potentially have multiple part time jobs totaling more than 35 hours worked per week.

n/a Data not available for specified time period
Percentages may not sum to 100% due to rounding.

Part Time Temporary Workers

Looking for a Job

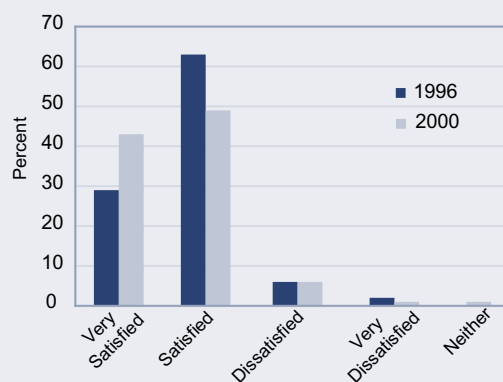
After full time temporary workers (33%), part time temporary workers were the second most likely group out of all employment categories to be unemployed during the year prior to the survey. Twenty-three percent of part time temporary workers reported being unemployed during the year prior to the survey. This is a decline from 1996 when 31% of part time temporaries reported being unemployed during the prior year.

Job Satisfaction

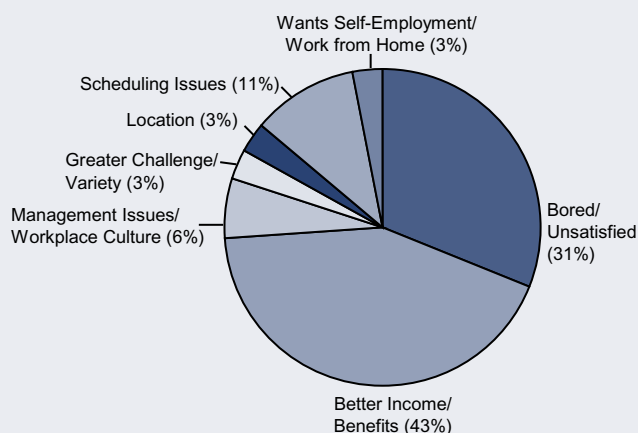
Ninety-one percent of part time temporary workers were either satisfied or very satisfied with their current job. The proportion of part time temporaries reporting being *very* satisfied with their current job in 2000 increased by 14 percentage points from that of 1996. The clear majority (75%) of part time temporaries felt they were paid appropriately for their job.

When asked whether they would replace their current job, less than half (45%) said they would. But of those who said they would like to, the two most predominant reasons were to get “better income or benefits” (43%) and being “bored or unsatisfied” (31%).

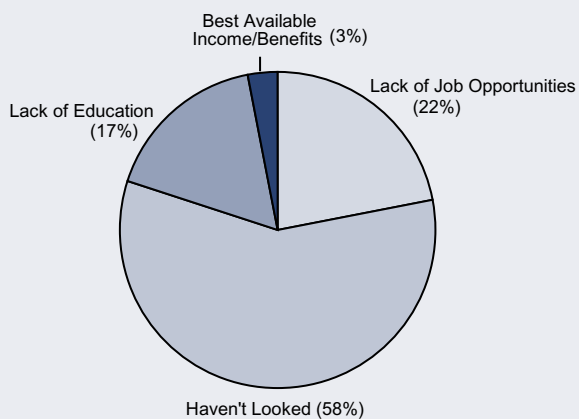
Job Satisfaction of Part Time Temporary Workers, 1996 and 2000



Main Reasons Why Part Time Temporary Workers Want to Replace Job, 2000



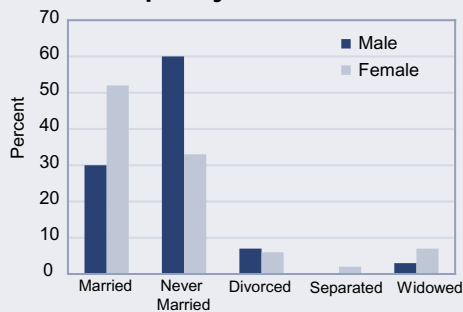
Main Reasons Why Part Time Temporary Workers Unable to Replace Job, 2000



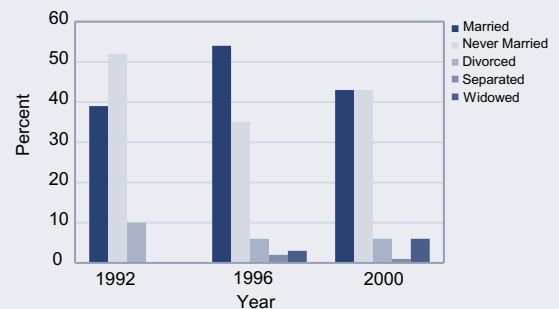
Marital Status

Of all employment categories (full time, part time, temporary, permanent), part time temporaries had the smallest proportion of married workers (43%). Among part time temporary workers, males were twice as likely as females to report never having been married.

Marital Status by Gender for Part Time Temporary Workers, 2000



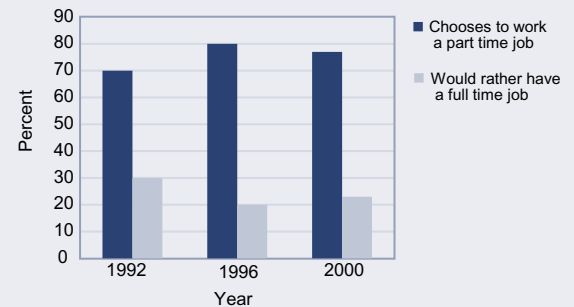
Marital Status of Part Time Temporary Workers, 1992 - 2000



Involuntary Part Time

Only 23% of part time temporaries said they would rather have a full time job. However, this is double the percentage of part time *permanent* workers who would rather have a full time job. It is down slightly from 1992 when 30% of part time temporary workers wanted a full time job.

Involuntary Part Time Temporary Workers, 1992 - 2000



Gender

Approximately two-thirds of part time temporary workers were female (65%) in 2000. The percent of female part time temporary workers was up slightly from 1996 (59%).

Race

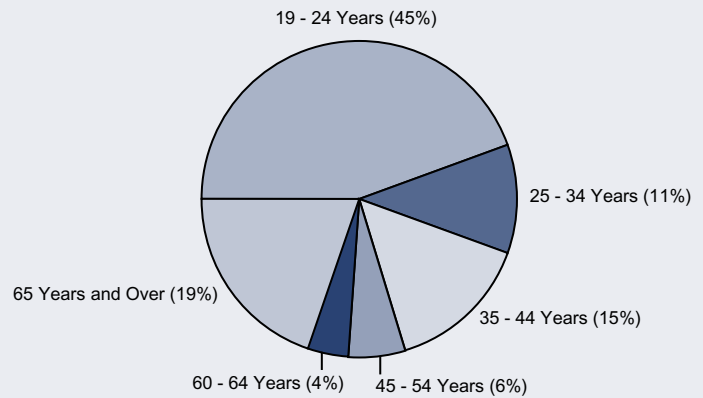
Ninety-eight percent of part time temporary workers were white, an increase from 1992 and 1996 when the percent of part time temporaries who were white was 89%.

Part Time Temporary Workers

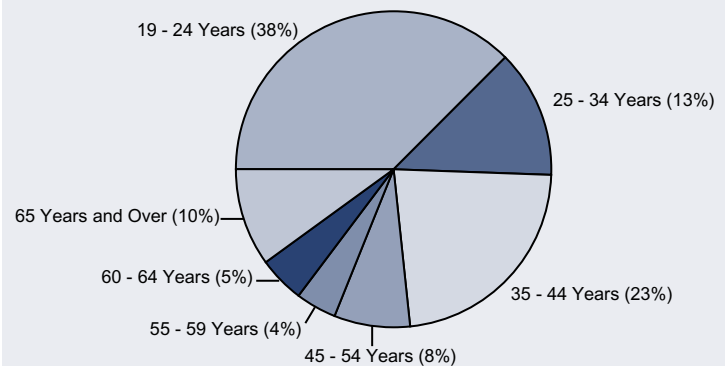
Age

In 2000, the majority of part time temporary workers could be found at both extremes of the age cohorts with 45% 19-24 years and 20% age 65 and older. Since 1992, the percent of part time temporary workers 65 and older has increased threefold while those workers age 25-34 has diminished by half.

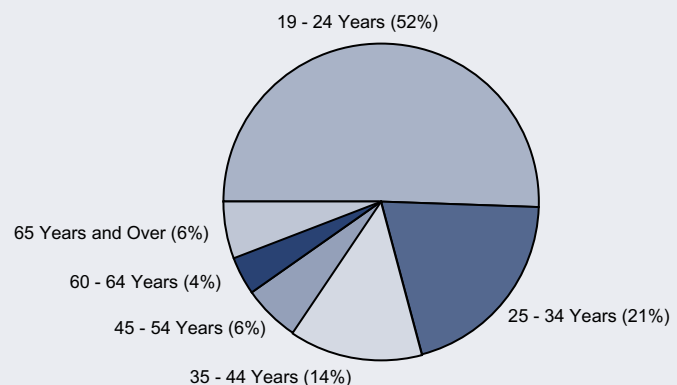
Age of Part Time Temporary Workers, 2000



Age of Part Time Temporary Workers, 1996



Age of Part Time Temporary Workers, 1992



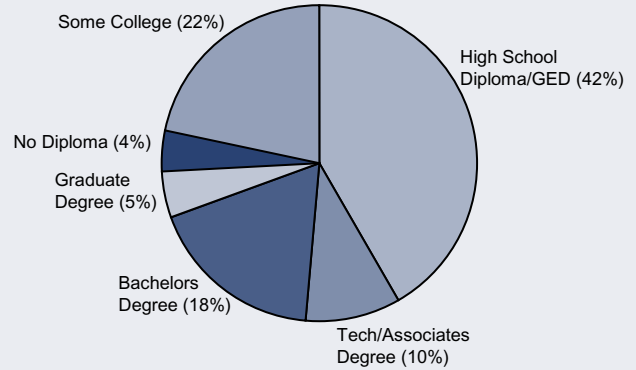
Education

For 42% of part time temporary workers in 2000, a high school diploma was the highest degree obtained. An additional 22% had a high school diploma with at least some college while one out of three had at least an associates degree or higher.

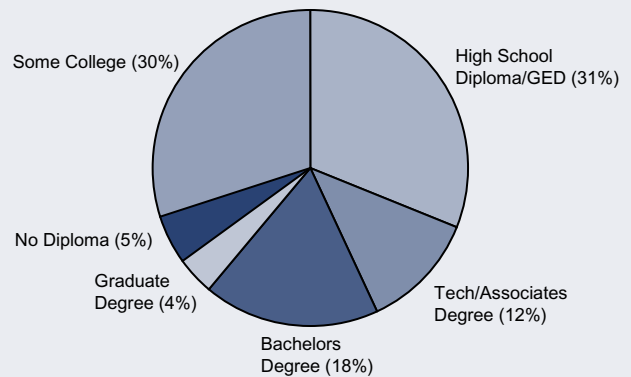
There were significant differences between gender and highest degree obtained for part time temporary workers. There was a higher proportion of females with bachelors degrees (26%) as compared to males (7%). Likewise, there was a higher proportion of males with a high school diploma and some college (31%) as compared to females (17%).

Since 1996, there has only been a slight shift in education level for part time temporaries. In 1996, part time temporaries were equally likely to have a high school diploma (31%) or a high school diploma with some college (30%). In 2000, part time temporary workers were more apt to have only a high school diploma (42%) without having any college.

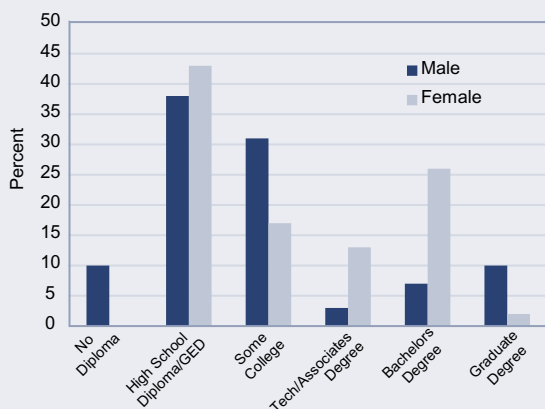
Education Level of Part Time Temporary Workers, 2000



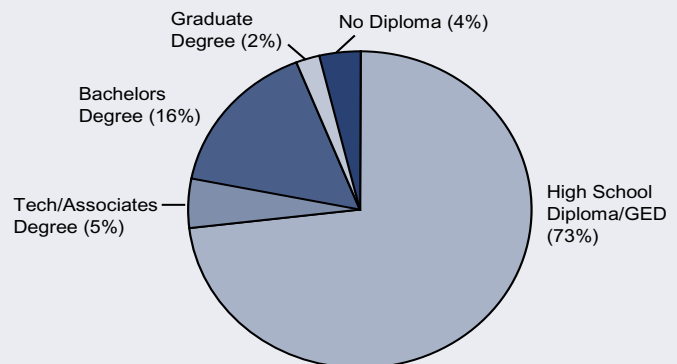
Education Level of Part Time Temporary Workers, 1996



Education Level of Part Time Temporary Workers by Gender, 2000



Education Level of Part Time Temporary Workers, 1992



Note: In 1992, "Some College" and "High School Diploma/GED" were a combined category.

Part Time Temporary Workers

Currently Earning College Credit

Almost half of part time temporary workers were currently earning college credit (49%). Of those who said they would like a permanent job, almost two-thirds indicated they were currently earning college credit. For those part time temporaries who said they would not like a permanent job, almost two-thirds said they were *not* currently earning college credit. Of those part time temporaries currently enrolled in a postsecondary institution, over half (56%) were enrolled in either a state university or a four-year private or state college. Thirty-one percent said they were enrolled at a community college.

Job Skills

Twenty-four percent of part time temporary workers said their employer offered tuition assistance. Almost two-thirds of part time temporaries, however, were not taking advantage of this tuition assistance.

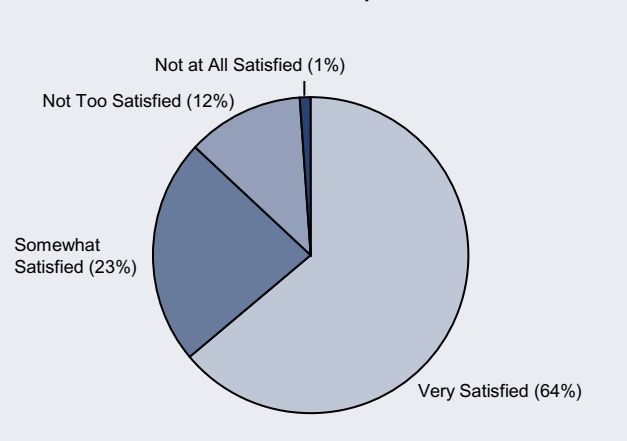
When asked whether they had made attempts (including taking seminars or classes) to increase their skills for their current job, 47% of part time temporaries said they had. Thirty-five percent said they were attending classes or seminars to *change* careers (a significantly higher proportion than both full time and part time permanent workers).

Schedule

Most part time temporary workers (64%) were *very* satisfied with their schedule. Only 13% were not satisfied with their current schedule. Not surprisingly, when asked whether they would change their schedule, nearly half (46%) said they would not. Thirty-four percent said they would prefer to increase the hours worked in a day but would work fewer days in a week.

Almost half (49%) of all part time temporary workers said the ideal number of hours per week to work would be less than 20 hours. However, 29% of part time temporaries said 35 to 49 hours would be ideal.

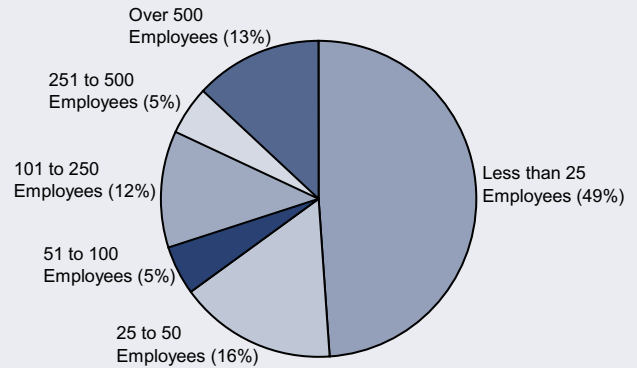
Part Time Temporary Workers' Satisfaction with Work Schedule, 2000



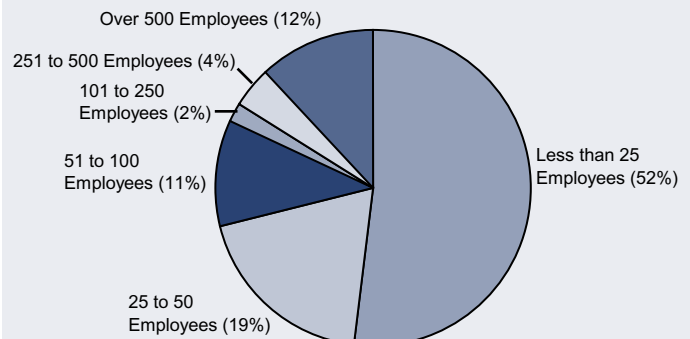
Business Size

Nearly half of all part time temporaries worked for a business that employed fewer than 25 people. A slight shift occurred over the four-year span from 1996 to 2000 with an increase in part time temporary workers being employed at businesses with 101 to 250 employees in 2000 and a decrease of part time temporaries at businesses employing 51 to 100 employees.

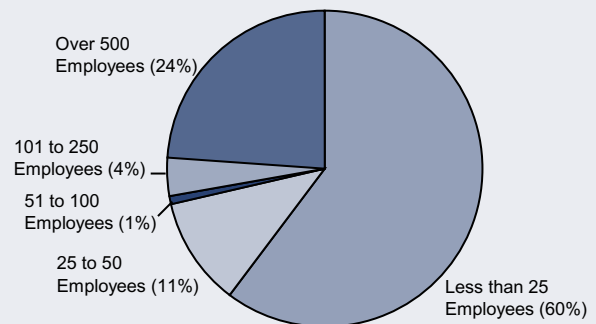
Part Time Temporary Workers by Business Size, 2000



Part Time Temporary Workers by Business Size, 1996



Part Time Temporary Workers by Business Size, 1992



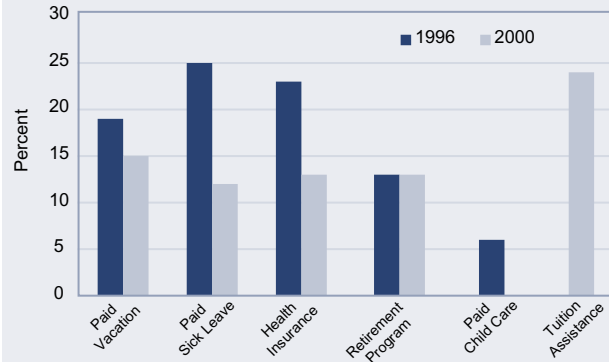
Part Time Temporary Workers

Benefits

Of all employment categories (including full time temporaries), part time temporary workers were the least likely to have benefits offered to them. The benefit they stood the highest chance of receiving in 2000 was tuition assistance (24%). With the exception of retirement, which stayed at the same percentage, the occurrence of benefits offered to part time temporary workers declined between 1996 and 2000 (declining by almost half in the cases of paid sick leave and health insurance).

Benefits Offered to Part Time Temporary Workers by Their Employer, 1996 and 2000

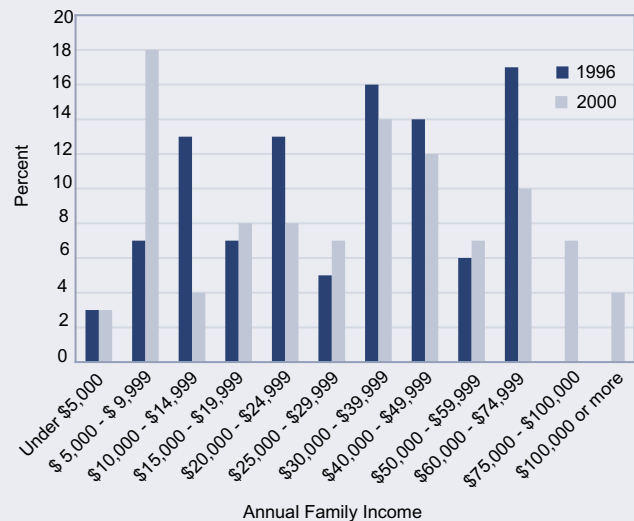
Note: Data on tuition assistance was not available in the 1996 survey.



Income

Relatively unchanged from 1996, almost one third of part time temporary workers had a total family income less than \$20,000 per year. Eighteen percent had a total family income of only \$5,000 to \$10,000 per year.

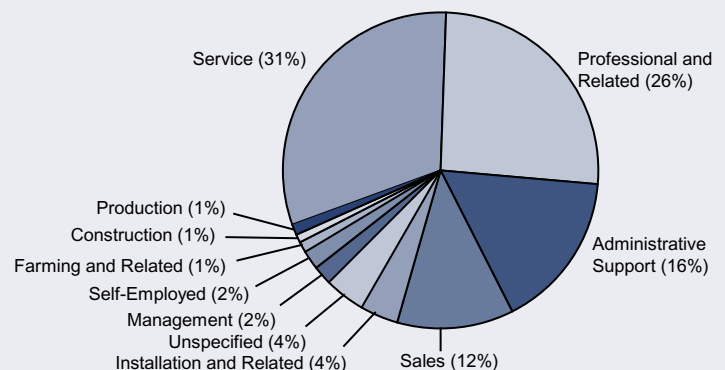
Total Family Income of Part Time Temporary Workers, 1996 - 2000



Occupations

Part time temporary workers fell into predominantly two occupational groupings: Service (31%) and Professional and Related (26%). Administrative Support (16%) and Sales (12%) were also two occupational groupings in which part time temporaries were frequently employed. Due to changes in occupational coding classifications, data from 1992 and 1996 are not comparable.

Part Time Temporary Worker Occupations, 2000

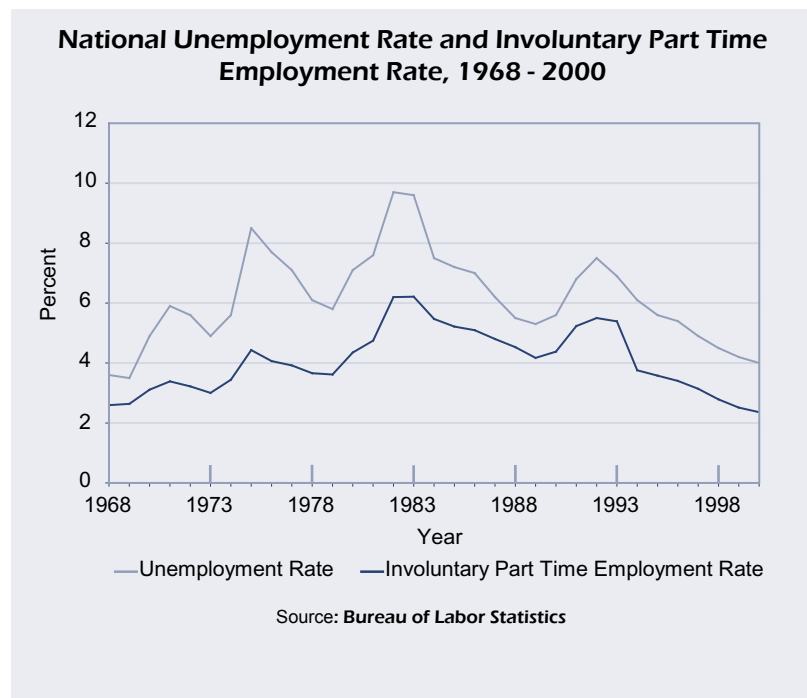




Part Time Permanent Workers

Since the late 1960's there has been an overall slight upward trend in the percent of part time workers in the national labor force. However, since 1994⁴ while the *number* of part time workers in the labor force has continued to hover around 23,000,000 workers, part time workers as a *percent* of the employed has declined from 19% in 1994 to 17% in 2000⁵. The majority of part timers worked part time due to non-economic reasons including family or personal obligations. Nationally, only 8% of part timers worked part time for economic reasons in 2000, meaning they were involuntarily employed part time because full time jobs were not available. Involuntary part time employment as a percent of part time employment has steadily declined from 14% in 1994.

There is a strong positive correlation between the unemployment rate and the involuntary part time employment rate. Historically, as the unemployment rate rises and falls so does the involuntary part time employment rate. This reflects the close relationship between the need for workers to be less selective in the type of employment they seek when the economy is poor, as any job is usually better than no job.



Part Time Permanent Workers in Nebraska

Based upon our survey results in 2000, 16% of Nebraska's employed had part time permanent employment. This equates to approximately 140,335 Nebraskans with part time permanent jobs as their primary employment.⁶ Of those part time permanent workers, 10% said they would rather have a full time job; therefore, about 14,314 part time permanently employed Nebraskans are involuntary part time permanent workers.

Following is a more in depth look at part time permanent employment in Nebraska. For the purposes of our study, part time employment was defined as working less than 35 hours per week.

Profile of Part Time Permanent Workers

	1992	1996	2000
Unemployed in Last Year			
Yes	n/a	17%	18%
No	n/a	83%	83%
Satisfied With Job			
Very Satisfied	n/a	40%	51%
Satisfied With Job	n/a	53%	46%
Dissatisfied	n/a	7%	3%
Very Dissatisfied	n/a	----	<1%
Neither Satisfied or Dissatisfied	n/a	1%	----
Paid Appropriately			
Yes	n/a	70%	68%
No	n/a	30%	31%
Gender			
Female	81%	80%	71%
Male	19%	20%	29%
Race			
White	96%	95%	95%
Hispanic	----	3%	1%
Black	3%	2%	3%
Native American	1%	----	1%
Asian	1%	----	----
Other	----	1%	1%
Marital Status			
Married	74%	71%	72%
Never Married	16%	17%	16%
Divorced	5%	4%	7%
Separated	1%	1%	----
Widowed	4%	7%	5%
Years of Age			
19-24	14%	17%	12%
25-34	15%	25%	16%
35-44	36%	22%	24%
45-54	13%	14%	20%
55-59	8%	5%	6%
60-64	5%	2%	5%
65 & Over	9%	15%	15%
Education			
High School	60%	32%	38%
Some College	n/a	21%	23%
Tech/Associate	16%	16%	13%
Bachelors	16%	19%	17%
Graduate	2%	6%	7%
No Diploma	6%	6%	3%

	1992	1996	2000
Wants Full Time or Part Time Job			
Chooses to Work a Part Time Job(s)	82%	86%	90%
Would Prefer to Work a Full Time Job	18%	15%	10%
Business Size			
Less than 25	49%	53%	51%
25 to 50	8%	14%	12%
51 to 100	12%	8%	10%
101 to 250	13%	5%	6%
251 to 500	3%	3%	5%
Over 500	16%	17%	16%
Benefits			
Percent Offered Paid Vacation Leave	n/a	44%	43%
Percent Offered Paid Sick Leave	n/a	35%	36%
Percent Offered Health Insurance	n/a	46%	34%
Percent Offered Retirement Program	n/a	43%	38%
Percent Offered Paid Child Care	n/a	3%	8%
Percent Offered Tuition Assistance	n/a	28%	32%
Family Income			
Under \$5,000	n/a	1%	----
\$ 5,000 - \$ 9,999	n/a	5%	6%
\$10,000 - \$14,999	n/a	8%	3%
\$15,000 - \$19,999	n/a	5%	4%
\$20,000 - \$24,999	n/a	8%	8%
\$25,000 - \$29,999	n/a	21%	7%
\$30,000 - \$39,999	n/a	19%	24%
\$40,000 - \$49,999	n/a	11%	15%
\$50,000 - \$59,999	n/a	12%	10%
\$60,000 - \$74,999	n/a	4%	6%
\$75,000 - \$100,000	n/a	4%	12%
\$100,000 or more	n/a	2%	6%
Geographic Region¹			
Omaha	n/a	27%	33%
Lincoln	n/a	13%	11%
Southeast	n/a	13%	9%
Central	n/a	19%	16%
Mid Plains	n/a	3%	9%
Panhandle	n/a	4%	6%
Northeast	n/a	20%	16%
Number Hours Worked Per Week²			
20 Hours or Less	44%	44%	44%
21 to 34 Hours	41%	46%	44%
35 to 49 Hours	12%	5%	7%
50 Hours or More	3%	4%	5%
Multiple Job Holders			
2 Jobs	14%	10%	15%
3 Jobs	1%	1%	4%
More than 3 Jobs	----	1%	----

Notes:

¹ Geographic regions are not comparable to 1992 due to significant changes in geographic region definitions. In 2000, Polk and Butler counties became part of the Northeast Region. In 1996, they were part of the Southeast Region.

² Part time employees included those who worked less than 35 hours per week for one employer. Part time employees could potentially have multiple part time jobs totaling more than 35 hours worked per week.

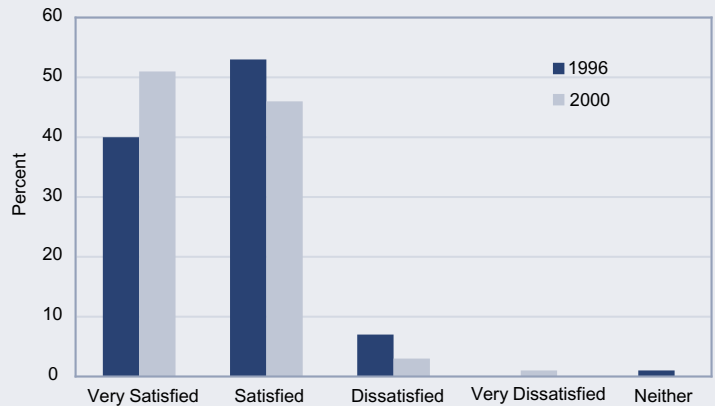
n/a Data not available for specified time period
Percentages may not sum to 100% due to rounding.

Job Satisfaction

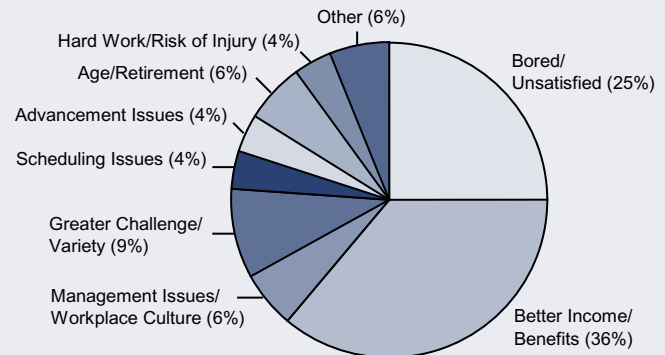
Of all employment categories, part time permanent workers had the highest job satisfaction in 2000 with 51% reporting being “very satisfied” and 46% “satisfied”, while only 3% were “dissatisfied”. Job satisfaction for these workers has risen 11 percentage points since 1996 when only 40% of part time permanent workers reported being “very satisfied” with their current job.

When asked whether they would replace their job, 76% said they would not. Of the 24% who said they would, the two primary reasons given included wanting “better income/benefits” (36%) and being “bored/unsatisfied” (25%). The primary reason given as to why they hadn’t been able to replace their job was “haven’t looked” (54%). Twelve percent said “lack of job opportunities” had prevented them from replacing their job.

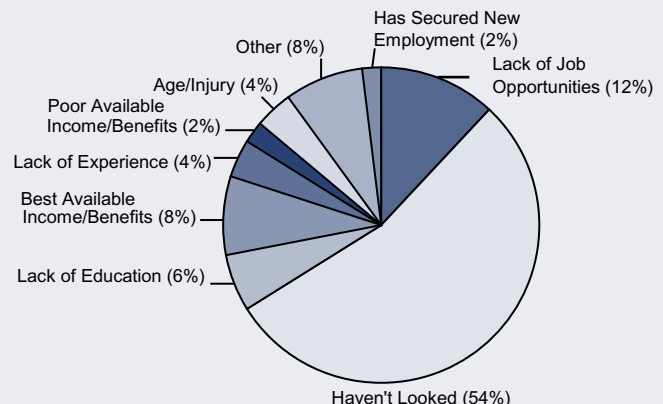
Job Satisfaction of Part Time Permanent Workers, 1996 and 2000



Main Reasons Why Part Time Permanent Workers Want to Replace Job , 2000



Main Reasons Why Part Time Permanent Workers Unable to Replace Job, 2000



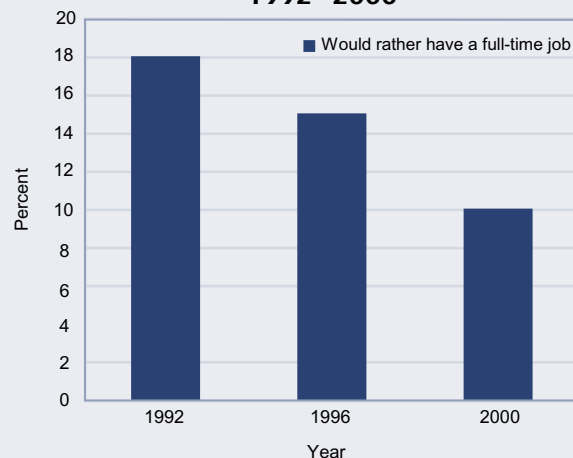
Part Time Permanent Workers

Involuntary Part Time

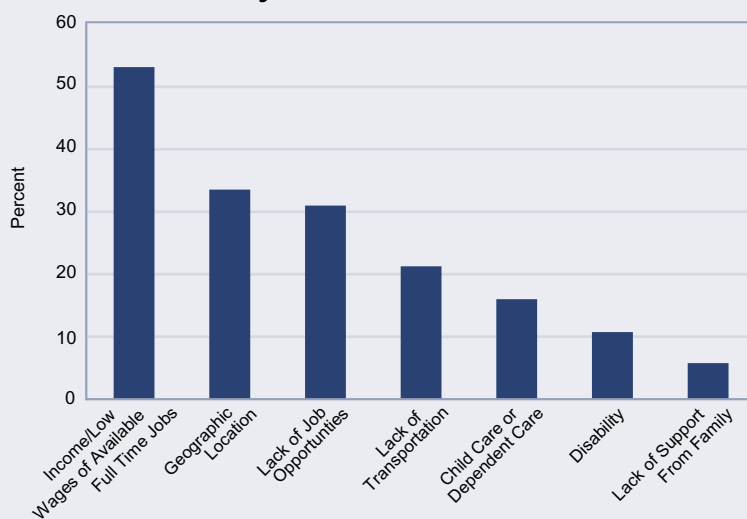
As mentioned earlier, only 10% of part time permanent workers indicated they would rather have a full time job. Additionally, the involuntary part time employment rate has decreased by almost half since 1992 when 18% of part time permanent workers were unable to find full time work.

Involuntary workers were given several reasons why some people might be unable to work full time and were asked whether or not those reasons were true for them. The highest proportion of positive responses was received for the question “Does low income or wages of available full time jobs keep you from working at a full time job?”. Fifty-three percent replied “yes”. One-third said that their geographic location prevented them from being able to work full time while another 30% said that it was due to a lack of job opportunities.

Involuntary Part Time Permanent Workers, 1992 - 2000

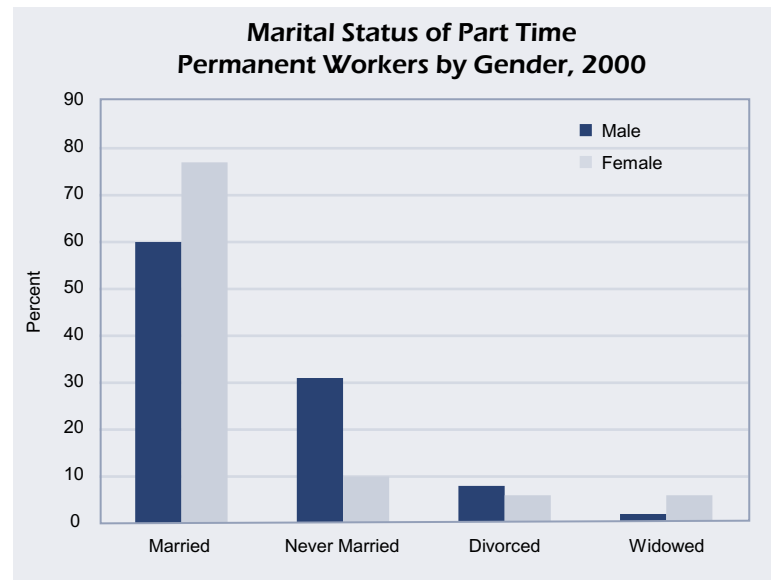
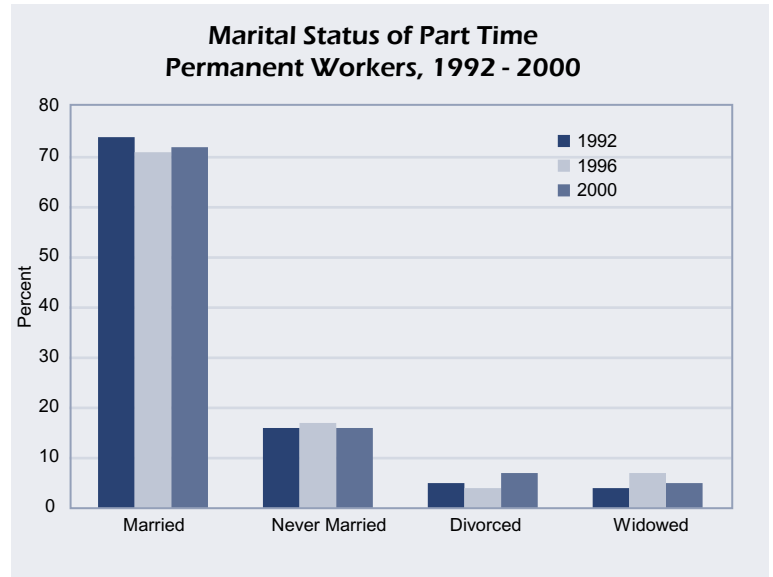


Reasons Why Unable to Work Full Time, 2000



Marital Status

The majority of part time permanent workers were married (72%). This, too, remains unchanged from previous underemployment studies conducted in Nebraska. There was a significant difference between gender and marital status of part time permanent workers. A greater proportion of women (77%) were married as opposed to men (59%)



Gender

In 2000, a greater proportion of men were opting for part time permanent employment than in previous years. While the majority of part time permanent workers were still female (71%), the percent of part time permanent workers who were male increased by 9 percentage points from 1996.

Race

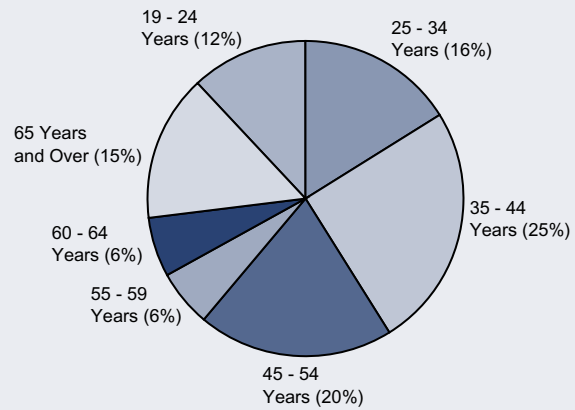
Ninety-five percent of all part time permanent workers were white. This has remained unchanged from 1992 and 1996 ratios.

Part Time Permanent Workers

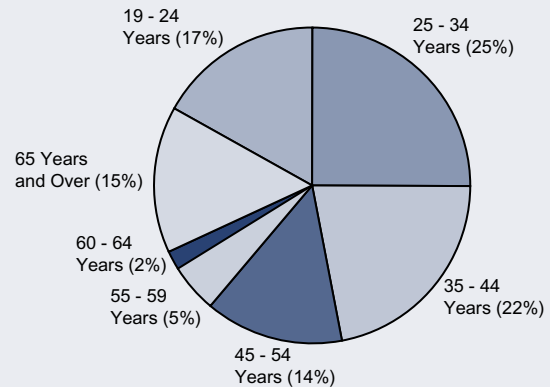
Age

Across age cohorts in 2000, the greatest percent of part time permanent workers were ages 35 to 44 years (25%) followed by ages 45 to 54 years (20%). During the last three periods studied, significant changes have occurred across the age cohorts. In 1996, there were percentage decreases from 1992 for ages 35 to 44 years and also for ages 55 to 64 with a greater number of part time permanent workers being either younger or 65 and over. Proportions shifted back again in 2000 with increases in all cohorts between ages 35 to 64 years and a corresponding drop in younger workers.

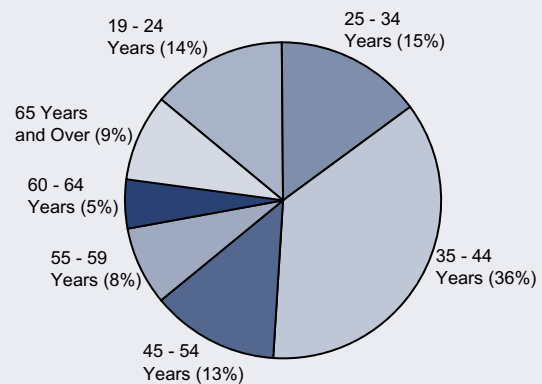
Age of Part Time Permanent Workers, 2000



Age of Part Time Permanent Workers, 1996

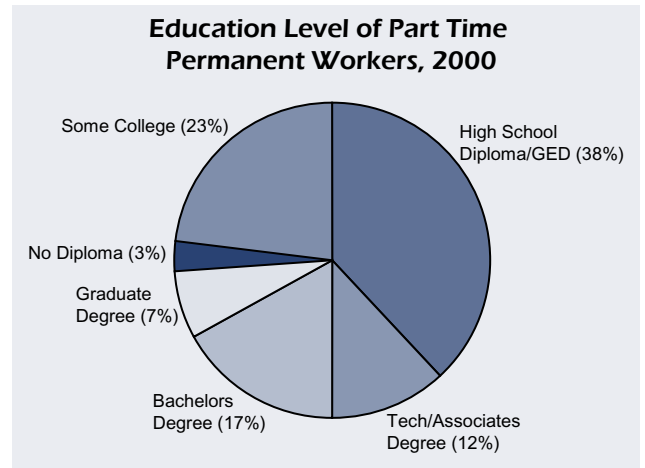


Age of Part Time Permanent Workers, 1992



Education

The greatest percentage of part time permanent workers had a high school diploma/GED (38%) or some college (23%) as their highest education level. Thirty-six percent had some type of postsecondary degree. There was not a statistically significant difference between gender and highest degree obtained for part time permanent workers nor was there a significant difference since 1992 or 1996 in the highest degree obtained.



Currently Earning College Credit

Only 14% of part time permanent workers were currently earning college credit. Of those, the majority (69%) were enrolled at a four-year university or four-year state or private college, and 16% were enrolled at a community college. One out of three part time permanent workers were offered tuition assistance by their current employer. Only 38% were taking advantage of this assistance.

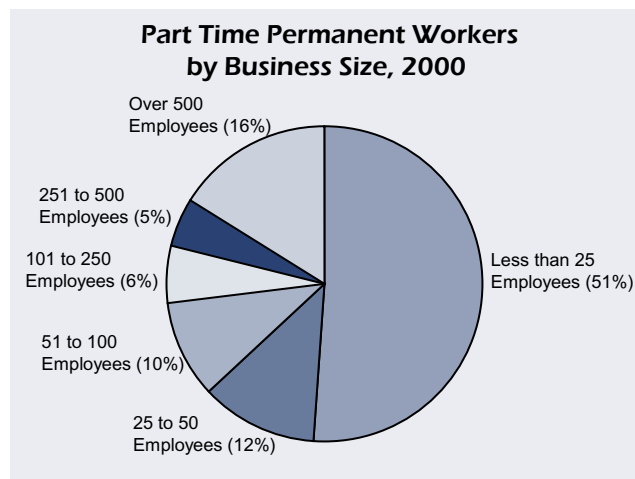
Job skills

Slightly over half (59%) of part time permanent workers reported that they had made attempts to increase their skills for their current job. Only 19% of part time permanent workers said they were currently attending classes or seminars in order to *change* careers.

Part Time Permanent Workers

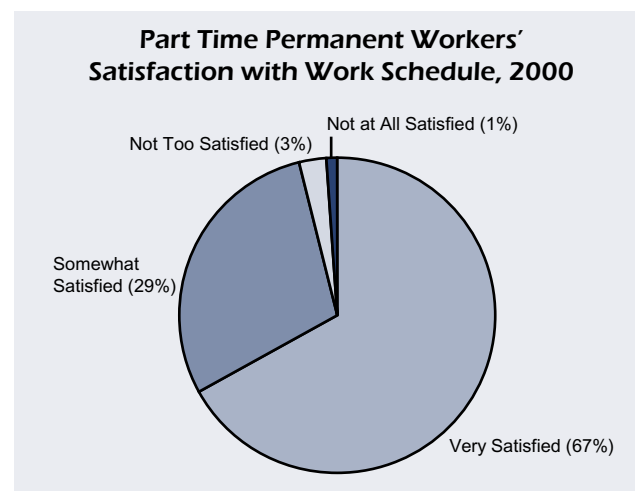
Business Size

Fifty-one percent of part time permanent workers were employed at businesses that employ fewer than 25 employees. The percentage of part time permanent workers across business size has not changed significantly since 1996.



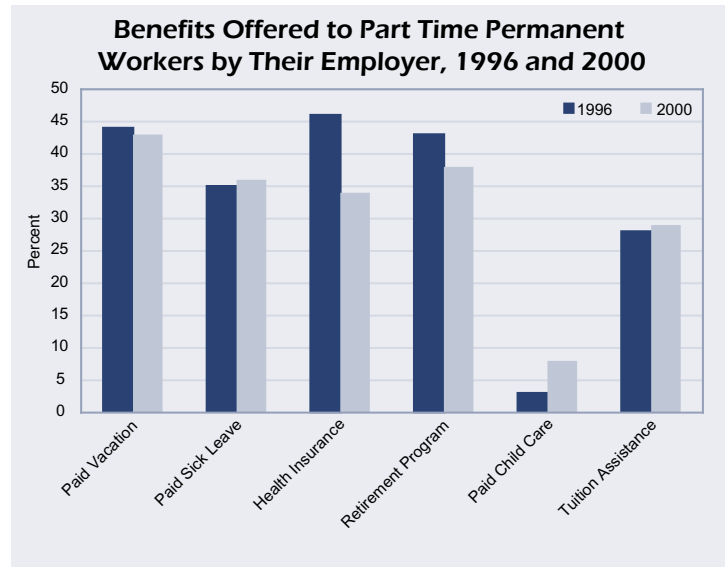
Schedule

Part time permanent workers have a higher satisfaction with their current work schedule than any other employment category. Only 4% of part time permanent workers were not satisfied with their current work schedule. Two-thirds of part time permanent workers were “very satisfied” with their current work schedule. When asked whether they would change their schedule, 51% said they would not change a thing while 19% said they would prefer to increase the number of hours worked in a day but decrease the number of days worked in a week. Sixteen percent indicated they would change the hours of the day they work.



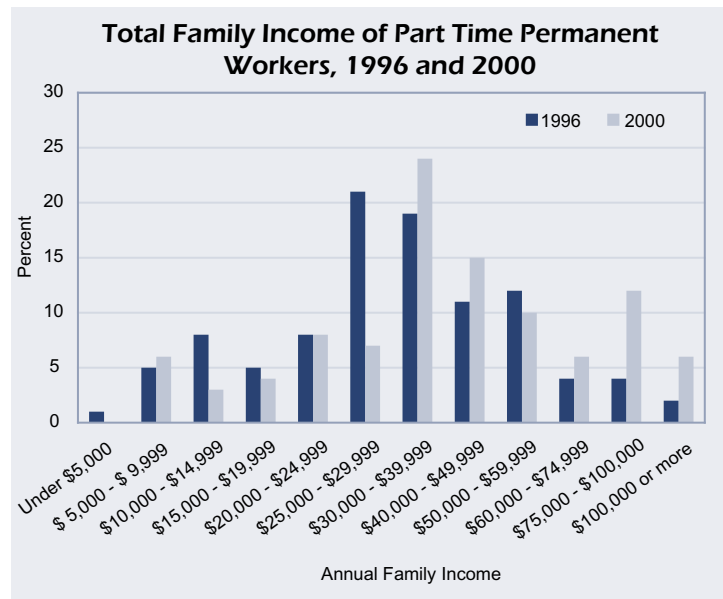
Benefits

In 2000, forty-three percent of part time permanent workers were offered paid vacation leave. Approximately one-third of part time permanent workers were offered paid sick leave, health insurance, and a retirement program. Only 8% were offered paid child care. As compared to 1996 data, the only significant difference was in the percent of part time permanent workers receiving health insurance and retirement.



Income

Thirteen percent of part time permanent workers had a total family income of less than \$20,000 per year. The greatest percentage of part time permanent workers (39%) made between \$30,000 and \$50,000 per year. Total family income overall was higher for part time permanent workers in 2000 than it was in 1996. As an example of the change, in 1996 the proportion of part time permanent workers with a total family income of more than \$60,000 per year was 10% but by 2000 had increased to 24%.

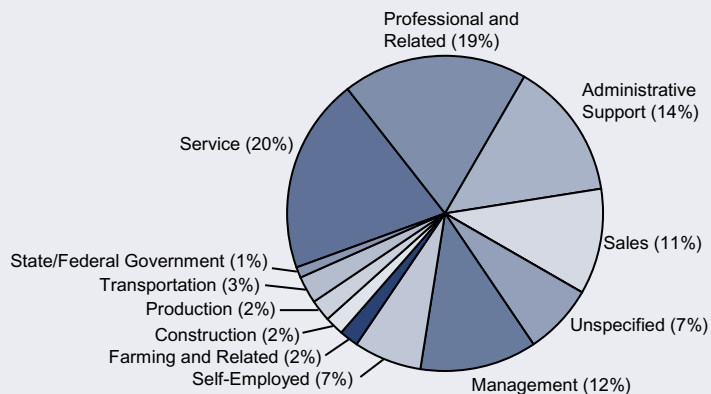


Part Time Permanent Workers

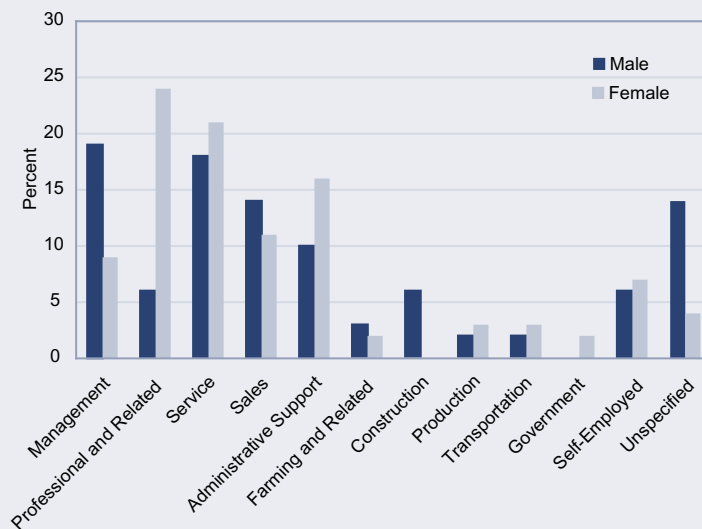
Occupations

Twenty percent of part time permanent workers were employed in Service occupations and another 19% were employed in Professional and Related occupations. Other prevalent occupation groupings for part time permanent workers included Administrative Support, Management and Sales. There was a significant difference between gender and occupation. While Management, Service and Sales occupations were predominant for male part time permanent workers, female part time permanent workers were primarily employed in Professional and Related, Service and Administrative Support occupations.

Part Time Permanent Worker Occupations, 2000



Occupations of Part Time Permanent by Gender, 2000





Overqualified Workers

One of the reasons why there is a limited amount of data available regarding underemployment is because of the inherent difficulty in objectively measuring it. One of its components that is particularly difficult to quantify is the overqualified.

For our purposes, overqualification is defined as an underutilization of the level of education, experience or skills one has in relation to their current employment. It can also be thought of as “disguised” underemployment meaning “A member of the labor force may be at work, but may be used so ineffectually, that he or she contributes little to the value of national output.”⁷

We arrived at the numbers of overqualified workers in Nebraska by using a self-report measure within our survey. Our findings revealed that nearly one out of three workers in Nebraska said they were *overqualified* for their current job. Both full time and part time temporary workers were more likely than permanent workers to be overqualified. Additionally, 67% of Nebraska’s workers indicated they were qualified for a better job. Higher pay (35%) and additional challenges (22%) were the two items most frequently listed that would need to be changed about their current job so that it better matched their qualifications. Following is a more in depth look at overqualified workers in Nebraska.

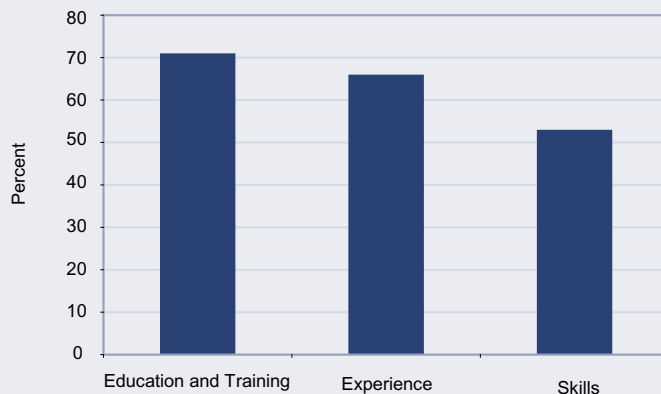
Overqualified Workers

Reasons for Being Overqualified

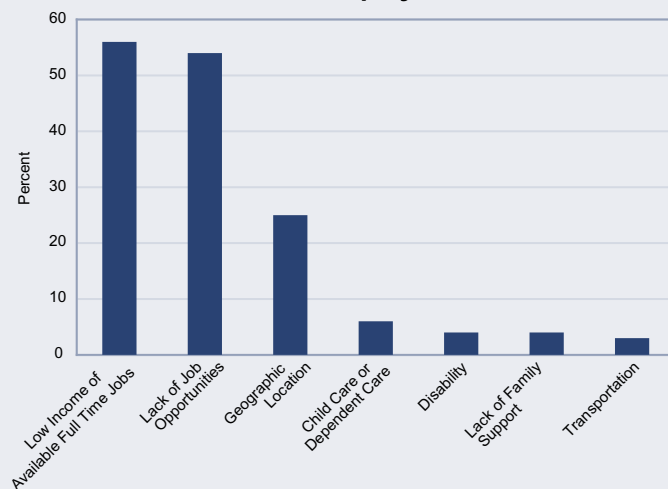
Respondents were asked what specifically they attribute to their being overqualified for their current job. Three items were measured: education/training, skills and experience. The greatest proportion of respondents chalked education and training up to their being overqualified (71%).

Overqualified workers were also asked a series of questions to assess what factors contributed to them staying in a job for which they were overqualified. Measured specifically was: child care or dependent care, transportation, geographical location, lack of job opportunities, low income or wages of available full time jobs, disability, and lack of support from family. Over half of overqualified workers indicated that “low income or wages of available jobs” (56%) and “lack of job opportunities” (54%) were factors contributing to their underemployment.

Reasons Workers Gave for Being Overqualified, 2000



Specific Factors Contributing to Underemployment, 2000

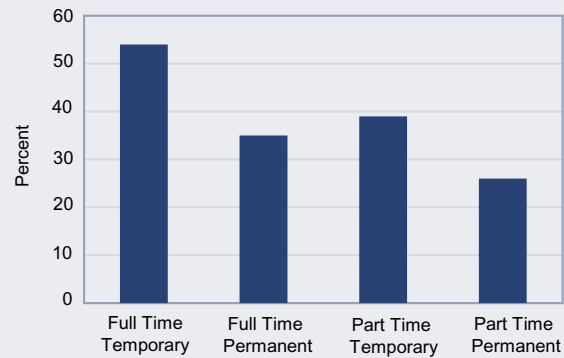


Should Have a Better Job

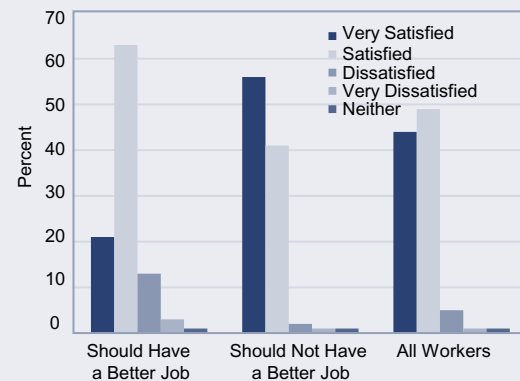
One out of three workers thought they *should have* a better job. There was a relationship between employment status and whether workers thought they should have a better job. Full time temporary workers (54%) were the most likely to indicate that they should have a better job while part time permanent workers were the least likely. Two-thirds of overqualified workers said they should have a better job while only 23% of workers who were not overqualified said they should have a better job.

Additionally, there was a relationship between job satisfaction and whether workers thought they should have a better job. While the majority of all workers were satisfied with their job to some degree (very satisfied 44%; satisfied 49%), workers who thought they should have a better job were more likely to say they were just “satisfied” with their current job while those workers who did not think they should have a better job were more likely to say they were “very satisfied”.

Workers Who Thought They Should Have a Better Job by Employment Status, 2000



Job Satisfaction of Workers and Whether They Thought They Should Have a Better Job, 2000



Overqualified Workers

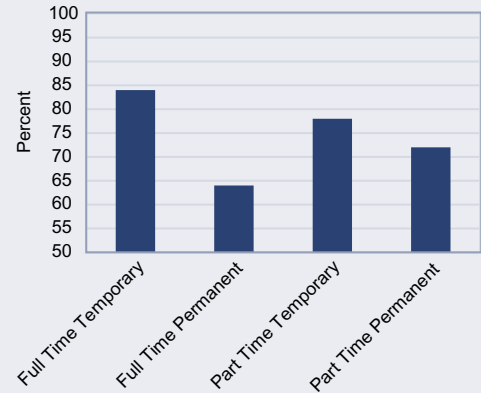
Qualified for a Better Job

Two out of three workers said they *were qualified* for a better job. Here, too, there was a relationship between employment status and whether workers thought they qualified for a better job. Temporary workers and part time permanent workers were more likely than full time permanent workers to say they were qualified for a better job. Full time temporary workers (84%) had the highest proportion of workers indicating that they were qualified for a better job.

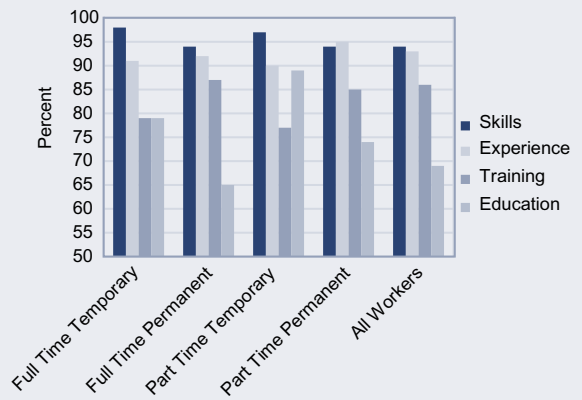
Respondents were also asked whether their education, skills, experience, or training qualified them for a better job. Workers were more likely to identify skills, experience and training as opposed to education as reasons why they were qualified for a better job.

With regards to employment status and reasons why they perceive themselves as qualified for a better job, there was only a relationship between education and employment status. Full time permanent workers were significantly less likely to indicate that education qualified them for a better job.

Percent of Workers Who Say They are Qualified for a Better Job by Employment Status, 2000

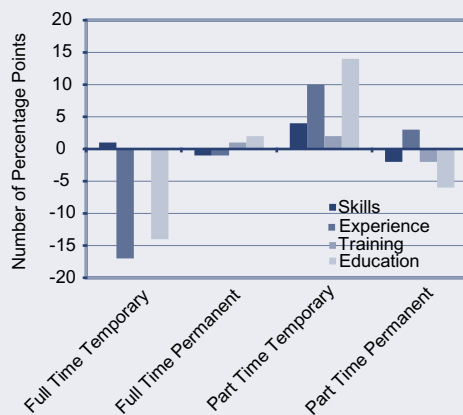


Reasons Workers Qualify for Better Jobs, 2000



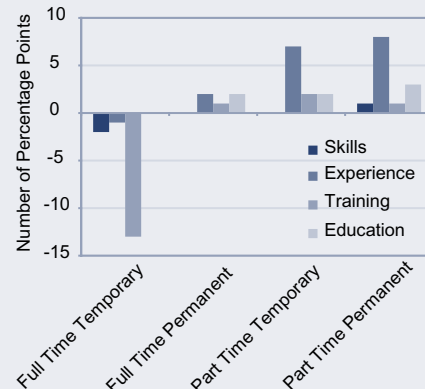
Reasons Workers Qualify for Better Jobs, 1996 to 2000

Percentage Points Change



Reasons Workers Qualify for Better Jobs, 1992 to 2000

Percentage Points Change



Job Satisfaction

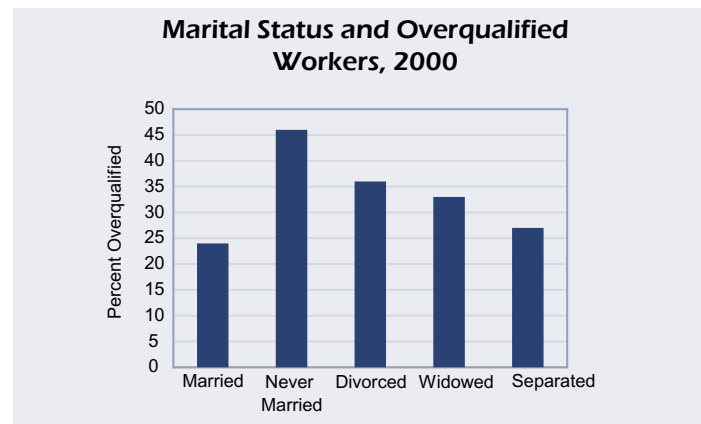
There was a relationship between job satisfaction and perceiving oneself as being overqualified. The more dissatisfaction a worker had with their job, the more likely they were to indicate they were overqualified.

Workers were also asked whether they would replace their job. Overall, 33% of workers said they would replace their job. Additionally, workers who said they would replace their job were more likely to say they were overqualified than workers who indicated they would not replace their job. Among overqualified workers in our sample, over half of workers (54%) said they would replace their job. Workers listed “better income/benefits” most frequently as the main reason to replace their job. The primary reasons listed as to why overqualified workers had been unable to replace their job included “haven’t looked” (51%) and “lack of job opportunities” (26%).



Marital Status

Never married workers (46%) were almost twice as likely as married workers (24%) to be overqualified.



Gender

There was not a relationship between gender and whether or not a person indicated they were overqualified. For both men and women, almost one out of three thought they were overqualified.

Looking for a Job

Twelve percent of the workers in our sample had been unemployed at some point during the year preceding the survey. Workers who had been unemployed were more likely to be overqualified than those who had not been unemployed.

Race

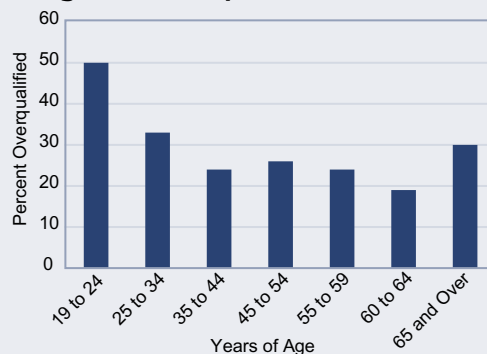
With regards to race, non-whites (42%) were much more likely than whites (29%) to indicate they were overqualified.

Overqualified Workers

Age

The age cohort with the largest percentage of overqualified workers was 19-24 years (50%). Up until the age of 64 it appears that the younger one is the relatively more likely they are to be overqualified.

Age and Overqualified Workers, 2000



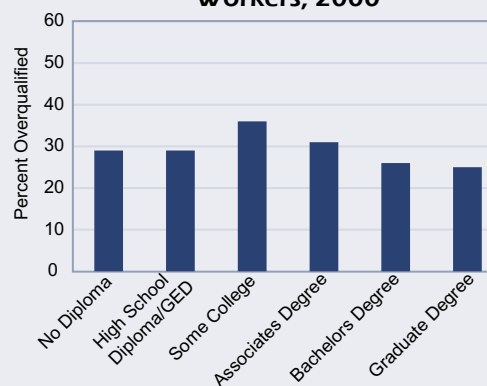
Education

Within education attainment levels, those with “some college” had the highest proportion of overqualified workers (36%). However, there was not a significant difference between level of education and whether or not a worker said they were overqualified.

Currently Earning College Credit

A greater proportion of those workers currently earning college credit (47%) indicated they were overqualified as compared to those workers who were not currently earning college credit (27%).

Educational Attainment and Overqualified Workers, 2000

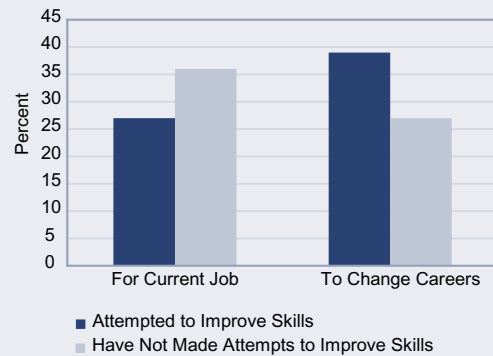


Job Skills

Seventy-five percent of all workers had made some attempts to increase their skills for their current job. Thirty-six percent of workers who had *not* made any attempts to increase their skills reported themselves as overqualified as opposed to only 27% of those who *had* made attempts to increase their skills for their current job.

In addition, 18% of all workers indicated they were attending classes or seminars to change careers. The proportion of overqualified workers (39%) among those who were attending classes to *change* careers was greater than the proportion of overqualified workers among those who were *not* attending classes to change careers (27%). This is contrary to the direction of findings for workers who had/had not made attempts to increase their skills for their *current* job.

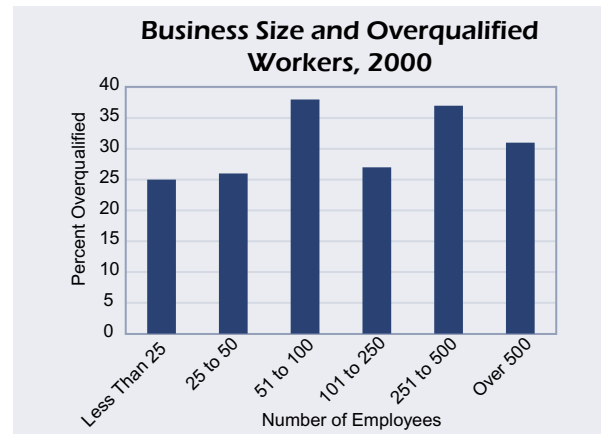
Percent of Overqualified Workers by Those Who Have Attempted to Improve Job Skills, 2000



Overqualified Workers

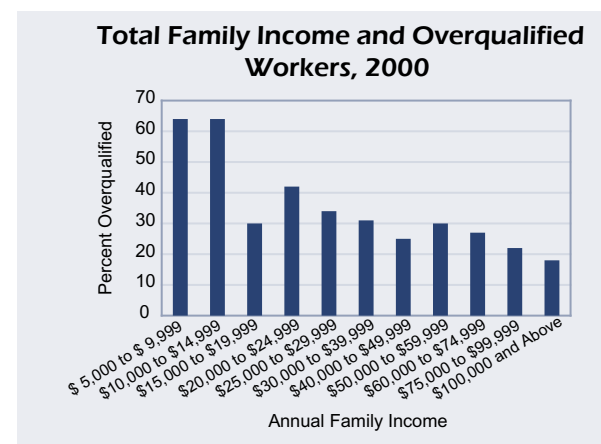
Business Size

Businesses with 51 to 100 employees and businesses with 251 to 500 employees had the highest percentages of overqualified workers.



Income

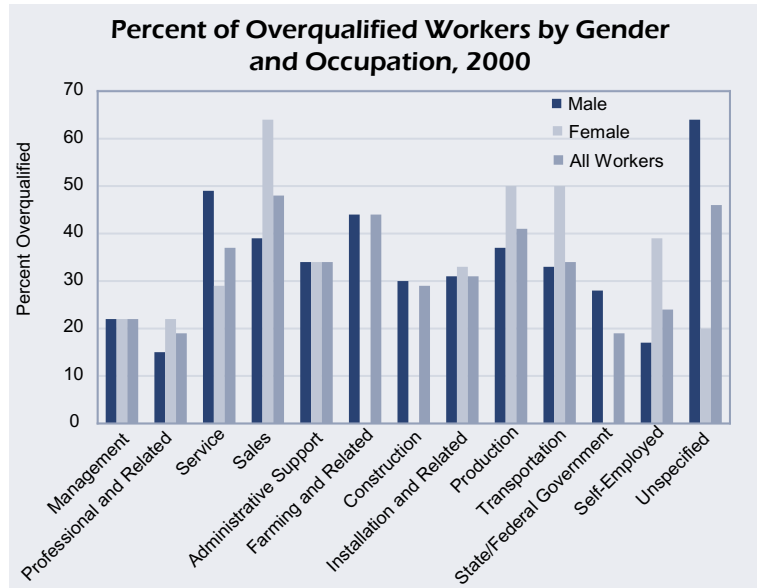
There was a relationship between total family income per year and whether or not a worker indicated they were overqualified. Workers with lower total family incomes were more likely to be overqualified than those with higher total family incomes. Sixty-four percent of workers with a family income of \$5,000 to \$14,999 per year said they were overqualified. In contrast, only 22% of individuals with a family income of \$75,000 to \$99,999 indicated they were overqualified.



Occupations

Some occupations showed a greater propensity for having a larger proportion of overqualified workers than other occupations. As an example, almost half of Sales workers (49%) said they were overqualified. In contrast, only 19% of Professional and Related Occupation workers were overqualified.

With regards to differences across gender and being overqualified within certain occupations, there were significant differences within Service and Sales occupations. Among Service occupations, the proportion of males who indicated they were overqualified was greater than the proportion of overqualified females. Among Sales occupations, females had a markedly higher proportion of overqualified workers than males.

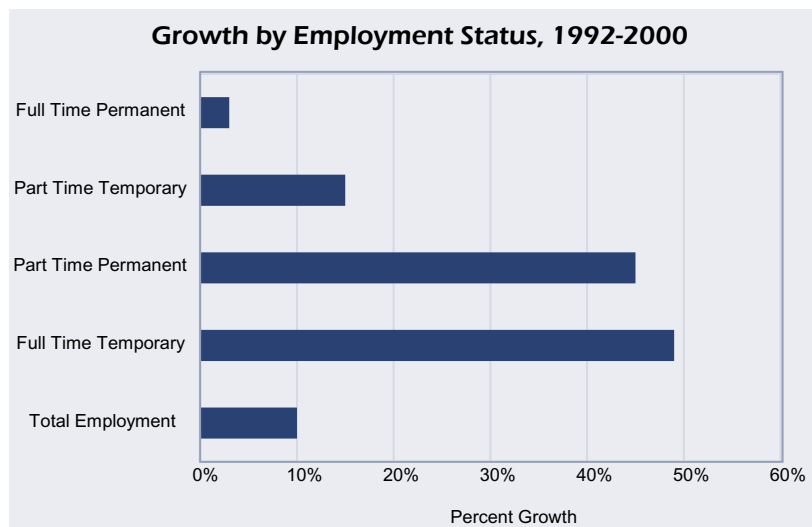




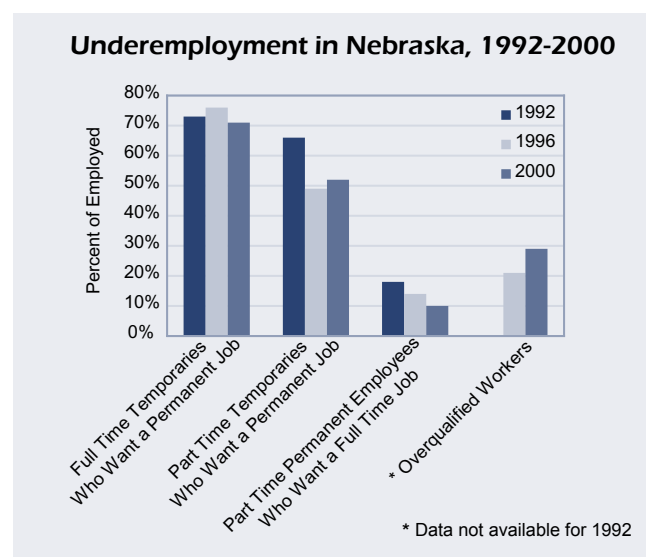
Discussion

Discussion

Based upon survey results, there were an estimated 33,983 full time temporaries, 51,603 part time temporaries, 140,335 part time permanent workers, and 670,840 full time permanent workers in Nebraska in 2000. Between 1992 and 2000, total employment growth was only 10%. During this same time period while full time permanent growth was only 3%, temporary (49%) and part time permanent work (45%) showed a significant growth illustrating a shift over the eight year period toward a contingent and part time workforce.

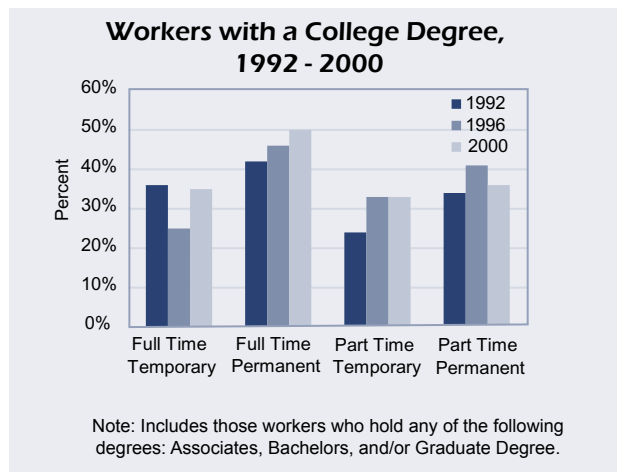


Specifically addressing the construct of underemployment, we also examined the prevalence of involuntary part time and temporary workers within those employment categories. If you consider underemployment as only the percent of involuntary contingent or part time workers in the workforce, our findings revealed that since 1992 there was not an overall obvious increase or decrease in underemployment in Nebraska. In some respects underemployment has remained unchanged (involuntary full time temporary workers) just as in other ways it has decreased (involuntary part time permanent workers). However, if one defines underemployment in more general terms such as those workers who are working on a temporary or part time basis and/or overqualified (underutilized human capital), then underemployment in Nebraska has clearly risen between 1992 and 2000.



Another yardstick that has been used to assess the pervasiveness of underemployment has been the incidence of temporary and part time workers with a college degree. For the working population 19 years of age and older, between 1992 and 1996 the percent of part time workers with college degrees increased while the percent of full time temporaries with a college degree decreased substantially. During the four year time period between 1996 and 2000, the percent of full time temporaries with college degrees rose to 1992 levels while the percent of part time workers with college degrees remained relatively unchanged. Once again, there is not an obvious indication that underemployment is on the rise. If one wanted to capture an approximate percentage of underemployed Nebraskans as a function of overqualified individuals (self-reported) it could be as high as 29%. As a function of contingent or part time workers it could be as high as 25%. As a function of *involuntary* contingent and part time workers it could be as low as 7%.

Regardless of how you define underemployment, the pool of underemployed workers is much greater in size (and potentially skills) than the pool of the unemployed and should definitely be considered as a source of available labor. With one-third of the employed willing to replace their job, 46% with a college degree and over 60,000 full time permanent workers currently earning college credit, Nebraska can be seen as having a significant source of skilled available labor for high skill/high wage jobs.



Future Considerations

Underemployment is inherently difficult to quantify and complex to examine however it is imperative that we continue research in the subject area. Insights gained could lead toward maximizing the efficiency of human capital, especially in challenging economic times. Perhaps future attempts to elucidate its prevalence could include a scale of underemployment that could ascertain the *extent* to which an individual experiences underemployment rather than whether they are clearly underemployed or not.

Additionally, for the purposes of the study at hand we have assumed unidirectional employment seeking (temporary or part time workers wanting permanent or full time employment). It would be interesting to explore the multi-directional mobility of the workforce (e.g. full time or part time workers who are seeking temporary or part time employment arrangements).

Last, but certainly not least, in order to discuss substate regional differences, a separate representative sample should be drawn for each region so that comparisons across regions can be made.



Appendices

References

- 1 Fullerton, Howard N. Jr. "Labor Force Participation: 75 Years of Change, 1950-98 and 1998-2025." *Monthly Labor Review*. December 1999: 3-12.
- 2 "Contingent and Alternative Employment Arrangements", Bureau of Labor Statistics, USDL 01-153, February 2001: 1-3.
- 3 "Contingent work in the late-1990's", *Monthly Labor Review*. March 2001: 3-4.
- 4 Beginning in 1994, data are not directly comparable with data for earlier years due to a major redesign of the Current Population Survey (CPS).
- 5 "Employed persons by full- and part-time status, annual averages 1968-2000", Current Population Survey, Bureau of Labor Statistics. Note: Percent of only those that said they were usually part time, does not include those who usually work full time.
- 6 Based on percentages applied to the "employment" as part of the "Labor Force / Work Force Summary Statewide 2000", Nebraska Workforce Development, Labor Market Information. Revised to March 2001 benchmark.
- 7 Sorrentino, Constance, "International Comparison of Unemployment Indicators", *Monthly Labor Review*. March 1993: 18.

Do you typically work full time, part time, go to school, keep house, or something else?
Do you currently work at all for a wage?
During the average week, with all of your jobs combined, how many hours do you usually work, NOT including the time you travel to and from work?
How many jobs are you employed at? (At the same time – for how many employers do you work? How many jobs do you work?)
Ideally, how many hours would you like to work per week?
What kind of work do you normally do?
How many people are employed where you work?
How satisfied are you with your job?
Would you like to replace your current job(s) with another?
What is the main reason why you would like to replace your current job(s) with another?
If you have been unable to find a replacement job, why do you think that is?
What was your personal income in the last 12 months?
Is this job a temporary or permanent position?
Would you like to be employed in a permanent job? (if temporary)
Do you choose to work a part time job or would you rather have a full time job? (if part time)
Why have you been unable to work at a full time job? (if part time and want full time)
Sometimes people are overqualified for their job because they have more training and experience than is required to perform the job? Would you say you are one of these people?
What specifically do you think overqualifies you for your current position? (if overqualified)
Would you rather have a full time job which better utilizes your education, training, experience and skills?
What factors contribute to your present employment in a job which you are overqualified for?
Do you think you should have a better job than the one you have now?
Do you think you are qualified for a better job than the one you have now?
Why do you feel you are qualified for a better job?
Do you feel that you are paid and compensated appropriately for the work that you do?
What would have to be changed about your current job for you to feel that it matched your qualifications?
Are you currently taking courses for college credit?
What kind of school are you enrolled in? (if enrolled)
Have you made any attempts to improve or increase your job skills for your current position such as classes, seminars, or on-site training?
Are you attending any training such as classes, seminars, or on-site training, in order to obtain a different position or change careers?
Does your employer offer tuition assistance for education or training?
Have you used this tuition assistance?
Have you ever been unemployed for any period during the last twelve months?
Do you have an employment package which includes: paid vacation, paid sick leave, health insurance, retirement program, paid child care?
What is your total family income?

Labor Force: The labor force represents the sum of persons 16 years and older who are currently employed plus those currently unemployed but actively seeking employment. Therefore, an individual who is not employed nor seeking employment would not be included in the labor force.

Work Force: The work force represents those persons currently employed within a given geographic area. For example, a person who lived in Lincoln and worked in Omaha would be included in the Omaha work force. If that person also held a part time job in Lincoln, he or she would be included in both the Lincoln and Omaha work force.

Occupational Categories: The survey asked respondents to name their occupations. Those verbatim responses were then coded according to the O*NET-SOC coding scheme. This scheme divides all occupations into 23 general categories and subdivides them again on the basis of various dimensions resulting in several hundred specific categories. For more detailed information, please visit the ONET website at <http://online.onetcenter.org>.

For our purposes, the specific occupations were grouped into the following generalized categories:

- Management
- Professional and Related
- Service
- Sales
- Administrative Support
- Farming and Related
- Construction
- Installation and Related
- Production
- Transportation
- State/Federal Government
- Self-Employed
- Unspecified

Full Time Employees: Full time employees are regarded as those employees who work 35 hours or greater per week for at least one employer.

Part Time Employees: Part time employees are regarded as those employees who work less than 35 hours per week for each employer.

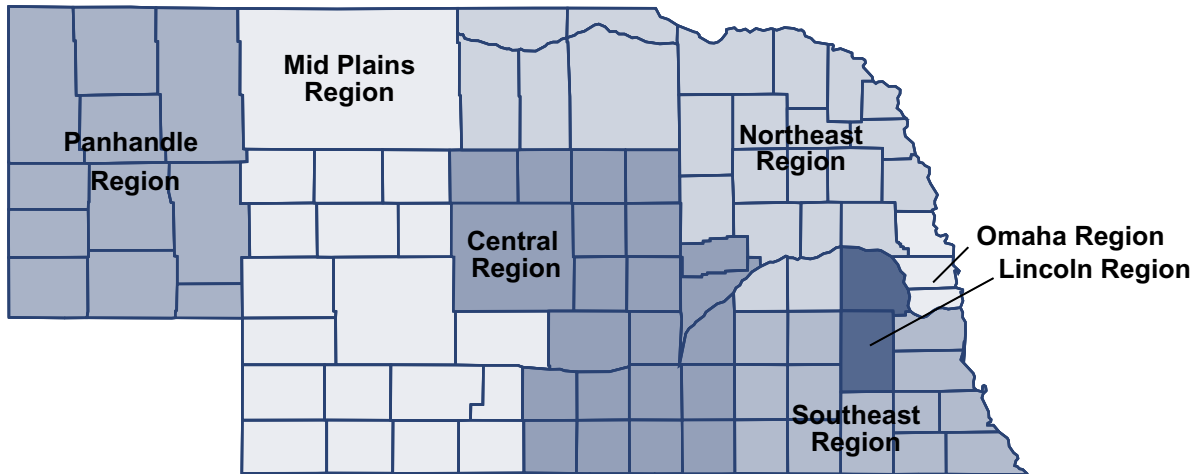
Temporary Employees: Temporary workers are those who indicated in the survey that they were retained on a temporary basis. Generally, the duration of a temporary assignment is known at the onset of employment. Temporary workers can be full time or part time employees.

Permanent Employees: Permanent workers are those who indicated in the survey that they were retained on a permanent basis. Generally, employers expect these employees to remain under their employ for an extended period of time.

Underemployed Workers: Defining underemployment is an inherently subjective undertaking. As such, we have chosen to define underemployment using a multi-faceted approach and each definition will be handled by separate analyses. Although not perfect, we believe that this approach will yield the most useful data. Consider the definitions below:

- The underemployed worker is defined as those respondents who indicated in the survey that they are overqualified for the job or jobs they currently hold.
- The underemployed worker is defined as those respondents who work a part time job and indicated they would prefer full time employment.
- The underemployed worker is defined as those respondents who work a temporary job and indicated they would prefer permanent employment.

Definition of Region



Omaha Region

Douglas
Sarpy
Washington

Mid Plains Region

Arthur	Chase	Cherry
Dawson	Dundy	Frontier
Furnas	Gosper	Grant
Hayes	Hitchcock	Hooker
Keith	Lincoln	Logan
McPherson	Perkins	Red Willow
Thomas		

Lincoln Region

Lancaster
Saunders

Southeast Region

Cass	Fillmore	Gage
Jefferson	Johnson	Nemaha
Otoe	Pawnee	Richardson
Saline	Seward	Thayer
York		

Panhandle Region

Banner	Box Butte	Cheyenne
Dawes	Deuel	Garden
Kimball	Morrill	Scotts Bluff
Sheridan	Sioux	

Central Region

Adams	Blaine	Buffalo
Clay	Custer	Franklin
Garfield	Greeley	Hall
Hamilton	Harlan	Howard
Kearney	Loup	Merrick
Nance	Nuckolls	Phelps
Sherman	Valley	Webster
Wheeler		

Northeast Region

Antelope	Boone	Boyd
Brown	Burt	Butler
Cedar	Colfax	Cuming
Dakota	Dixon	Dodge
Holt	Keya Paha	Knox
Madison	Pierce	Platte
Polk	Rock	Stanton
Thurston	Wayne	

Population by Region

	Year	Population	Eight-Year Change	Eight-Year Percent Change
Omaha	1992	552,253		
	2000	606,210	53,957	9.8%
Lincoln	1992	240,749		
	2000	270,866	30,117	12.5%
Southeast	1992	150,134		
	2000	153,366	3,232	2.2%
Central	1992	216,086		
	2000	221,677	5,591	2.6%
Mid Plains	1992	111,188		
	2000	113,730	2,542	2.3%
Panhandle	1992	91,054		
	2000	90,297	-757	-0.8%
Northeast	1992	250,223		
	2000	256,431	6,208	2.5%
Nebraska	1992	1,611,687		
	2000	1,712,577	100,890	6.3%

Source: U.S. Census Bureau

Labor Force by Region

		Labor Force	Employment	Unemployed	Unemployment Rate
Omaha	1992	286,684	277,103	9,581	3.3%
	2000	331,152	321,589	9,563	2.9%
	Percent Change	15.5%	16.1%	-0.2%	
Lincoln	1992	137,322	133,539	3,783	2.8%
	2000	154,665	150,527	4,138	2.7%
	Percent Change	12.6%	12.7%	9.4%	
Southeast	1992	75,539	73,374	2,165	2.9%
	2000	80,865	78,300	2,565	3.2%
	Percent Change	7.1%	6.7%	18.5%	
Central	1992	113,636	110,752	2,884	2.5%
	2000	119,545	116,306	3,239	2.7%
	Percent Change	5.2%	5.0%	12.3%	
Mid Plains	1992	57,185	55,467	1,718	3.0%
	2000	58,060	56,348	1,712	2.9%
	Percent Change	1.5%	1.6%	-0.3%	
Panhandle	1992	44,659	43,010	1,649	3.7%
	2000	46,653	44,815	1,838	3.9%
	Percent Change	4.5%	4.2%	11.5%	
Northeast	1992	123,456	119,833	3,623	2.9%
	2000	133,035	128,582	4,453	3.3%
	Percent Change	7.8%	7.3%	22.9%	
Nebraska	1992	838,477	813,076	25,400	3.0%
	2000	924,298	896,761	27,537	3.0%
	Percent Change	10.2%	10.3%	8.4%	

Source: Local Area Unemployment Statistics (LAUS)

Nebraska Workforce Development
Department of Labor
550 South 16th Street
Box 94600
Lincoln, NE 68509-4600

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